



CLASS ACTION
ADMINISTRATION

Groundwater Basin Adjudication
c/o JND Legal Administration
P.O. Box 91244
Seattle, WA 98111
1-833-291-1643

Hello,

Enclosed is the Notice of Commencement of Groundwater Basin Adjudication, Answer to Adjudication Complaint, and Second Amended Verified Complaint, which pertain to a lawsuit concerning the Las Posas Valley Groundwater Basin. This case (Case No. VENC100509700) is currently being heard in the Santa Barbara County Superior Court, Civil Division, Department No. 3, 1100 Anacapa St, Santa Barbara, California 93121.

If you have any questions concerning the Groundwater Basin Adjudication, please call 1-833-291-1643, or write to Groundwater Basin Adjudication, c/o JND Legal Administration, P.O. Box 91244, Seattle, WA 98111.

Administrator

Enclosures: Notice of Commencement of Groundwater Basin Adjudication, Answer to Adjudication Complaint, and Second Amended Verified Complaint

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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA BARBARA

LAS POSAS VALLEY WATER RIGHTS
COALITION, an unincorporated association;
PLACCO, INC., a California Corporation;
GRIMES ROCK, INC., a California
corporation; SATICOY PROPERTIES, LLC, a
California limited liability company; SCS
PARTNERS, a California partnership; GREEN
HILLS RANCH, LLC, a California limited
liability company; ROLLING GREEN HILLS
RANCH, LLC, a California limited liability
company,

Plaintiffs,

v.

FOX CANYON GROUNDWATER
MANAGEMENT AGENCY, a public entity;
all persons unknown, claiming any legal or
equitable right, title, estate, lien or interest in
the property described in the complaint adverse
to plaintiffs' title or any cloud on plaintiffs'
title thereto; THERMIC MUTUAL WATER
COMPANY LTD., a mutual water company;
SUNSHINE RANCH, LLC, a California
limited liability company; CITY OF
MOORPARK; FULLER FALLS MUTUAL
WATER COMPANY, a mutual water
company; CRESTVIEW MUTUAL WATER
COMPANY, a mutual water company; ZONE
MUTUAL WATER COMPANY, a mutual
water company; BERYLWOOD HEIGHTS
MUTUAL WATER COMPANY, a mutual
water company; DEL NORTE WATER
COMPANY, a mutual water company;
KIRSCHBAUM, LLC, a California limited
liability company; LEMON 500, LLC, a

CASE NO. VENCI00509700

*Assigned for all purposes to the Honorable
Thomas P. Anderle*

**ANSWER TO ADJUDICATION
COMPLAINT**

Delaware limited liability company; MITTAG RANCHES, GENERAL PARTNERSHIP, a general partnership; MITTAG FARMS, GENERAL PARTNERSHIP, a general partnership; CALLEGUAS MUNICIPAL WATER DISTRICT, a municipal water district; VENTURA COUNTY WATERWORKS DISTRICT NO. 1 and VENTURA COUNTER WATERWORKS DISTRICT NO. 19 collectively WATERWORKS DISTRICTS; COUNTY OF VENTURA; TOM GREETHER FARMS, INC., a California corporation; RANCHO CANADA WATER COMPANY, a California limited partnership; UNITED WATER CONSERVATION DISTRICT, a California water conservation district; ARROYO LAS POSAS MUTUAL WATER COMPANY, a mutual water company; BALCOM BIXBY WATER ASSOCIATION, a California corporation; EPWORTH MUTUAL WATER COMPANY, a mutual water company; LA LOMA RANCH MUTUAL WATER COMPANY, a mutual water company; LAS LOMAS MUTUAL WATER COMPANY, a mutual water company; SATICOY COUNTRY CLUB, a California corporation; SOLANO VERDE MUTUAL WATER COMPANY, a mutual water company; WATERS ROAD DOMESTIC USERS GROUP, INC., a California corporation; CALIFORNIA-AMERICAN WATER COMPANY, a California corporation; CITY OF SIMI VALLEY; BUTLER RANCH MUTUAL WATER CO., a mutual water company; and DOES 1 through 3000, inclusive,

Defendants.

ANSWER TO ADJUDICATION COMPLAINT

The undersigned denies all material allegations in the complaint or cross-complaint in this action that seeks to adjudicate rights in the groundwater basin and asserts all applicable affirmative defenses to that complaint.

DATED: _____

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NOTICE OF COMMENCEMENT OF GROUNDWATER BASIN ADJUDICATION

THIS NOTICE IS IMPORTANT. ANY RIGHTS YOU CLAIM TO PUMP OR STORE GROUNDWATER FROM THE BASIN IDENTIFIED IN THIS NOTICE MAY BE AFFECTED BY A LAWSUIT INITIATED BY THE COMPLAINT SUMMARIZED BELOW.

A copy of the complaint may be obtained by contacting the plaintiffs or the plaintiffs' attorney identified in this notice. If you claim rights to pump or store groundwater within the basin, either now or in the future, you may become a party to this lawsuit by filing an answer to the lawsuit on or before the deadline specified in this notice. You may file an answer by completing the attached form answer, filing it with the court indicated in this notice, and sending a copy of the form answer to the plaintiff or the plaintiff's attorney.

Failing to participate in this lawsuit could have a significant adverse effect on any right to pump or store groundwater that you may have. You may seek the advice of an attorney in relation to this lawsuit. Such attorney should be consulted promptly. A case management conference in this groundwater basin adjudication proceeding shall occur on the date specified in this notice. If you intend to participate in the groundwater adjudication proceeding to which this notice applies, you are advised to attend the initial case management conference in person or have an attorney represent you at the initial case management conference.

Participation requires the production of all information regarding your groundwater use. You must provide this information by the date identified in this notice.

A form answer is provided for your convenience. You may fill out the form answer and file it with the court. Should you choose to file the form answer, it will

1 serve as an answer to all complaints and cross-complaints filed in this case.

2 The following information is provided pursuant to Code of Civil Procedure
3 section 836(a)(1)(B):

4 (i) Name of Basin: Las Posas Valley Groundwater Basin. A map of the Las
5 Posas Valley Groundwater Basin is available at
6 <https://sgma.water.ca.gov/webgis/?appid=160718113212&subbasinid=4-008>

7 (ii) Case No. VENC100509700, Santa Barbara County Superior Court, Civil
8 Division, Department No. 3, 1100 Anacapa St, Santa Barbara, California 93121

9 (iii) Plaintiffs' counsel may be contacted at the following mailing address,
10 telephone number and email address:

11
12 David Aladjem
13 Downey Brand LLP
14 621 Capitol Mall, 18th Floor
15 Sacramento, CA 95814-4731
16 (916) 444-1000
17 daladjem@downeybrand.com

18 (iv) Plaintiffs' Second Amended Complaint seeks a comprehensive
19 adjudication of the Las Posas Valley Groundwater Basin ("Basin") and alleges five
20 causes of action. The First Cause of Action for Declaratory Relief is asserted
21 against all defendants, and seeks a judicial declaration that will comprehensively
22 adjudicate the rights and duties of all parties to this action to the Basin's
23 groundwater. Similarly, the Fourth Cause of Action seeks a comprehensive
24 determination of the respective title, rights, and interests of the parties in the
25 Basin's groundwater, and is asserted against all defendants except Fox Canyon.
26 The Second, Third, and Fifth Causes of Action are asserted solely against
27 Defendant Fox Canyon Groundwater Management Agency ("Fox Canyon"). The
28 Second Cause of Action seeks a writ of mandate against Fox Canyon on the ground
that its Emergency Ordinance E violates Article XIII C of the California

1 Constitution because it imposed a tax without the required voter approval. The
2 Third Cause of Action also seeks a writ of mandate against Fox Canyon on the
3 ground that Emergency Ordinance E is arbitrary and capricious on the grounds that:
4 (a) it violates Plaintiffs' water rights under California law; (b) Fox Canyon lacked a
5 reasonable scientific and technical basis for Ordinance E's findings; (c) it takes
6 Plaintiffs' water rights without the payment of just compensation in violation of the
7 California and U.S. constitutions; and (d) it violates Plaintiffs' rights to due process
8 under the California and U.S. constitutions. Alternatively, the Third Cause of
9 Action seeks a writ of mandate directing Fox Canyon to review Ordinance E in
10 accordance with Article 5 of the ordinance. Finally, the Fifth Cause of Action for
11 Due Process Violations and Inverse Condemnation alleges that Fox Canyon's
12 adoption and continued enforcement of Ordinance E violated Plaintiffs' due process
13 rights and requires the payment of just compensation under the California and U.S.
14 constitutions.

15 (v) Date by which persons receiving the notice must appear in the
16 comprehensive adjudication: Thirty (30) days after receiving this notice. The Case
17 Management Conference in this groundwater basin adjudication proceeding is set
18 for June 21, 2019. Please take notice that a mediation conference is scheduled for
19 June 6 and 7 in the Anacapa Division of the Santa Barbara County Superior Court.
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Attorneys for Plaintiffs
LOS POSAS VALLEY WATER RIGHTS COALITION,
et al.

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA BARBARA

LAS POSAS VALLEY WATER RIGHTS
COALITION, an unincorporated association;
PLACCO, INC., a California Corporation;
GRIMES ROCK, INC., a California corporation;
SATICOY PROPERTIES, LLC, a California
limited liability company; SCS PARTNERS, a
California partnership; GREEN HILLS RANCH,
LLC, a California limited liability company;
ROLLING GREEN HILLS RANCH, LLC, a
California limited liability company;

Plaintiffs,

v.

FOX CANYON GROUNDWATER
MANAGEMENT AGENCY, a public entity; all
persons unknown, claiming any legal or
equitable right, title, estate, lien or interest in the
property described in the complaint adverse to
plaintiffs' title or any cloud on plaintiffs' title
thereto; THERMIC MUTUAL WATER
COMPANY LTD., a mutual water company;
SUNSHINE RANCH, LLC, a California limited
liability company; CITY OF MOORPARK;
FULLER FALLS MUTUAL WATER
COMPANY, a mutual water company;

ELECTRONICALLY FILED
Superior Court of California
County of Santa Barbara
Darrel E. Parker, Executive Officer
10/29/2018 5:01 PM
By: Sarah Sisto, Deputy

CASE NO. VENCI00509700

**SECOND AMENDED VERIFIED
COMPLAINT FOR
COMPREHENSIVE
GROUNDWATER ADJUDICATION;
DECLARATORY RELIEF; QUIET
TITLE; INVERSE
CONDEMNATION; AND PETITION
FOR WRIT OF MANDATE**

1 CRESTVIEW MUTUAL WATER COMPANY,
 2 a mutual water company; ZONE MUTUAL
 3 WATER COMPANY, a mutual water company;
 4 BERYLWOOD HEIGHTS MUTUAL WATER
 5 COMPANY, a mutual water company; DEL
 6 NORTE WATER COMPANY, a mutual water
 7 company; KIRSCHBAUM, LLC, a California
 8 limited liability company; LEMON 500, LLC, a
 9 Delaware limited liability company; MITTAG
 10 RANCHES, GENERAL PARTNERSHIP, a
 11 general partnership; MITTAG FARMS,
 12 GENERAL PARTNERSHIP, a general
 13 partnership; CALLEGUAS MUNICIPAL
 14 WATER DISTRICT, a municipal water district;
 15 VENTURA COUNTY WATERWORKS
 16 DISTRICT NO. 1 and VENTURA COUNTER
 17 WATERWORKS DISTRICT NO. 19
 18 collectively WATERWORKS DISTRICTS;
 19 COUNTY OF VENTURA; TOM GREYHER
 20 FARMS, INC., a California corporation;
 21 RANCHO CANADA WATER COMPANY, a
 22 California limited partnership; UNITED
 23 WATER CONSERVATION DISTRICT, a
 24 California water conservation district; ARROYO
 25 LAS POSAS MUTUAL WATER COMPANY, a
 26 mutual water company; BALCOM BIXBY
 27 WATER ASSOCIATION, a California
 28 corporation; EPWORTH MUTUAL WATER
 COMPANY, a mutual water company; LA
 LOMA RANCH MUTUAL WATER
 COMPANY, a mutual water company; LAS
 LOMAS MUTUAL WATER COMPANY, a
 mutual water company; SATICOY COUNTRY
 CLUB, a California corporation; SOLANO
 VERDE MUTUAL WATER COMPANY, a
 mutual water company; WATERS ROAD
 DOMESTIC USERS GROUP, INC., a
 California corporation; CALIFORNIA-
 AMERICAN WATER COMPANY, a California
 corporation; CITY OF SIMI VALLEY;
 BUTLER RANCH MUTUAL WATER CO., a
 mutual water company; and DOES 1 through
 3000, inclusive,

Defendants.

I. INTRODUCTION

1. Groundwater levels in a basin normally decline during dry periods and then increase as the groundwater basin is replenished during wetter periods. This has been the case in the Las Posas Valley Groundwater Basin ("**Basin**") over the past decades. Groundwater levels in

1 the Basin have generally been stable or rising for the past two or more decades. Despite these
2 stable groundwater levels and the water supply reliability that such groundwater has provided to
3 local landowners and municipalities in the Basin, the FOX CANYON GROUNDWATER
4 MANAGEMENT AGENCY (“**Fox Canyon**”) has curtailed, and is now seeking to curtail further,
5 the extraction of groundwater from the Basin in violation of California law governing the priority
6 with which groundwater pumpers must reduce their groundwater pumping in times of shortage.

7 2. Fox Canyon’s actions constitute a form of self-dealing. Fox Canyon is governed
8 by a non-elected board whose members are selected by entities with junior, appropriative rights to
9 groundwater in the Basin. Although Fox Canyon purports to preserve the groundwater resources
10 within its territory for agricultural, municipal, and industrial uses for the common benefit of **all**
11 water users, Fox Canyon’s decision to curtail extractions without regard to California
12 groundwater rights law manifestly benefits junior users, and specifically benefits those users
13 entitled to appoint a majority of Fox Canyon’s governing board.

14 3. Fox Canyon’s bias in this regard is underscored by its stated justification for
15 curtailing the rights of senior users—an incorrect claim that the Basin is in overdraft (i.e., that the
16 long-term groundwater pumping exceeds the long-term native replenishment of the Basin). Fox
17 Canyon knows that this claim is not correct but, in the interest of reallocating water rights to
18 municipal water users, Fox Canyon is abusing its authority to manage groundwater in the Basin
19 and, in so doing, violating California law. Fox Canyon’s abuse of authority directly injures
20 landowners who have operated farms and other businesses for generations based on their
21 expectation that their senior groundwater rights would be honored by the agency formed to
22 manage the Basin in accordance with California law.

23 4. Plaintiffs LAS POSAS BASIN WATER RIGHTS COALITION *et al.*
24 (“**Plaintiffs**” or the “**Coalition**”) have repeatedly presented Fox Canyon with technical
25 information showing: (a) that groundwater levels in the Basin have been stable for decades, even
26 with the recent drought; (b) that the technical information being used by Fox Canyon to claim that
27 the Basin is in overdraft does not meet basic technical standards for adequacy; and (c) that
28 Plaintiffs possess senior, overlying rights to pump and use groundwater. But Fox Canyon has,

1 through the enactment of Emergency Ordinance E ("**Ordinance E**"), through a proposed
2 groundwater allocation ordinance for the Basin, and through the groundwater sustainability plan
3 (the "**GSP**") currently under development and required for the Basin under the provisions of the
4 Sustainable Groundwater Management Act ("**SGMA**"), Water Code sections 10720 *et seq.*,
5 sought to limit Plaintiffs' extractions, and reallocate water away from senior users in favor of
6 persons and entities with more junior rights.

7 5. Despite the fact that the California Legislature created Fox Canyon to manage the
8 Basin on behalf of **all** users, including Plaintiffs, Fox Canyon's directors and staff have
9 repeatedly ignored Plaintiffs' concerns about Fox Canyon's actions and the deficient technical
10 information underlying them. Fox Canyon's unwillingness to use legally and scientifically
11 defensible technical information in its efforts in managing the Basin has made it clear that, in
12 violation of California law, Fox Canyon intends to use its authority as a "groundwater
13 sustainability agency" ("**GSA**") under SGMA to reallocate water rights in the Basin under the
14 guise of managing the Basin for sustainability.

15 6. Fox Canyon's actions show that it knows it is acting illegally. Indeed, Fox
16 Canyon has diverted surcharges imposed on groundwater users under Ordinance E into a slush
17 fund to fund its litigation against the claims of its infringement of water rights by Plaintiffs and
18 others in violation of the California Constitution, article XIII C. Fox Canyon's Ordinance Code
19 does not authorize the use of surcharges for this purpose.

20 7. Fox Canyon's refusal to respect Plaintiffs' senior rights and properly evaluate the
21 status of the Basin shows that it will continue to prioritize the interests of junior, municipal users
22 at Plaintiffs' expense. It is clear to Plaintiffs that further engagement with Fox Canyon at public
23 meetings and in the administrative process will be futile. Plaintiffs have no choice but to request
24 a judicial order requiring Fox Canyon not to interfere with Plaintiffs' water rights and to comply
25 with Water Code section 10720.5, which requires a GSA to implement SGMA in a manner that
26 fully respects California water rights, such as those owned by Plaintiffs.

27 8. Accordingly, Plaintiffs seek a comprehensive adjudication of all rights to the
28 Basin's groundwater. Plaintiffs also seek a writ of mandate ordering Fox Canyon to cease its

1 enforcement of Ordinance E. Plaintiffs further seek an order from this Court requiring Fox
2 Canyon to pay just compensation for the taking of Plaintiffs' property that has occurred due to the
3 illegal limitations imposed on Plaintiffs' groundwater extractions due to Ordinance E. Finally,
4 Plaintiffs seek an order requiring Fox Canyon to pay Plaintiffs' reasonable attorneys' and expert
5 witnesses' fees associated with this action.

6 **II. JURISDICTION AND VENUE**

7 9. This Court has jurisdiction over this action pursuant to Code of Civil Procedure
8 sections 526, 833, 1060, and 1085.

9 10. Venue is initially proper in this Court because the lands, water rights, and other
10 real property that are the subject of this action are located within the County of Ventura. All
11 judges of the Superior Court of Ventura County are disqualified from hearing this action, and the
12 Chairperson of the Judicial Council must assign a neutral judge to preside in all proceedings.
13 (*See* Code Civ. Proc. § 838 subd. (a)(1).)

14 **III. PARTIES**

15 11. Plaintiff LAS POSAS BASIN WATER RIGHTS COALITION is a California
16 unincorporated association formed to represent the interests of its membership, which consists of
17 numerous landowners with senior rights to pump and use groundwater in the Basin. The
18 Coalition has standing to bring this action on behalf of its entire membership pursuant to Code of
19 Civil Procedure section 382. Plaintiff Las Posas Basin Water Rights Coalition was erroneously
20 named as "Las Posas Valley Water Rights Coalition" in Plaintiffs' original complaint.

21 12. Plaintiff PLACCO, LLC. ("**Placco**") is a California limited liability company and
22 the owner of the real property located in the County of Ventura located at 3400 Los Angeles
23 Ave., Somis, California and commonly known as APN 155-0-270-200 and 155-0-270-275
24 (Peterson Ranch #1), located at 1401 La Loma, Somis, California and commonly known as APN
25 110-2-010-155 (Petersen Ranch #2), located at 3232 Somis Road, Somis, California and
26 commonly known as APN 163-0-010-370, 163-0-010-420, 163-0-010-430, 163-0-010-440, 163-
27 0-010-450, 163-0-010-460, 163-0-010-480, 163-0-010-270, 163-0-010-320, and 163-0-010-330
28 (Petersen Ranch #3), located at 3070 Los Angeles Ave., Somis, California also commonly known

as APN 155-0-270-230, 155-0-270-215, 155-0-270-280, 155-0-270-290, 155-0-270-305, 155-0-270-215, and 155-0-270-325 (Peterson Ranch #4) collectively (the “**Placco Properties**”) and more particularly described in **Exhibit A**, which is attached hereto and incorporated herein by reference as if set forth in full. Placco’s ownership of the Placco Properties includes the ownership of rights to pump and use groundwater on its land that are senior to defendants DOES 1 through 3000’s rights to pump and use Basin groundwater. Placco is in exclusive and undisputed possession of the Placco Properties. Plaintiff Placco was erroneously named as “Placco, Inc.” in Plaintiffs’ First Amended Complaint

13. Plaintiff SATICOY PROPERTIES, LLC (“**Saticoy**”) is a California limited liability company and the owner of the real property located in the County of Ventura commonly known as APN 500-0-090-055, 500-0-050-135, 500-0-090-260, 500-0-090-270, 500-0-090-280, 500-0-090-290, 500-0-090-325, 500-0-090-355, and 500-0-090-365 (the “**Grimes Property**”) and more particularly described in **Exhibit A**, which is attached hereto and incorporated herein by reference as if set forth in full. Saticoy’s ownership of the Grimes Property includes the ownership of rights to pump and use groundwater on its land that are senior to defendants DOES 1 through 3000’s rights to pump and use Basin groundwater. Saticoy also owns groundwater rights for an adjacent property that are senior to defendants DOES 1 through 3000’s rights to pump and use Basin groundwater. Saticoy is in exclusive and undisputed possession of the Grimes Property.

14. Plaintiff GRIMES ROCK, INC. (“**Grimes**”), is a California corporation with a beneficial interest in Saticoy’s ownership of the Grimes Property and groundwater rights for an adjacent property that are senior to defendants DOES 1 through 3,000’s rights to pump and use Basin groundwater. Any curtailment of the groundwater rights appurtenant to the Grimes Property directly injures Grimes’ beneficial interest therein.

15. Plaintiff 49 ACRE SCHOLLE RANCH dba SCS (“**Scholle Ranch**”) is a California partnership and possesses a beneficial interest in real property located in the County of Ventura, located at Walnut Ave., Camarillo, CA and commonly known as APN 110-0-091-010 (the “**Scholle Property**”), and more particularly described in **Exhibit A**, which is attached hereto

1 and incorporated herein by reference as if set forth in full. Scholle Ranch's interest in the Scholle
2 Property includes the rights to pump and use groundwater from the Basin on the Scholle Property
3 that are senior to defendants DOES 1 through 3000's rights to pump and use Basin groundwater.
4 Scholle Ranch is in exclusive and undisputed possession of the Scholle Property. Any
5 curtailment of the groundwater rights appurtenant to the Scholle Property directly injures Scholle
6 Ranch's beneficial interest therein. Plaintiff Scholle Ranch was erroneously named as "SCS
7 Partners" in Plaintiffs' original complaint.

8 16. Plaintiff WILLIAM G. SCHOLLE RANCH ("**WGS Ranch**") is a California
9 partnership and possesses a beneficial interest in real property located in the County of Ventura,
10 located at 289 E. Los Angeles Ave., Somis, CA and commonly known as APN 110-0-120-160
11 ("**WGS Property**"), and more particularly described in **Exhibit A**, which is attached hereto and
12 incorporated herein by reference as if set forth in full. WGS Ranch's interest in the WGS
13 Property includes the rights to pump and use groundwater form the Basin on the WGS Property
14 that are senior to defendants DOES 1 through 3000's rights to pump and use Basin groundwater.
15 WGS Ranch is in exclusive and undisputed possession of the WGS Property. Any curtailment of
16 the groundwater rights appurtenant to the WGS Property directly injures WGS Ranch's beneficial
17 interest therein.

18 17. Plaintiff GREEN HILLS RANCH, LLC ("**Green Hills Ranch**") is a California
19 limited liability company and the owner of the real property located in the County of Ventura
20 located at 1011 W La Loma Ave., Somis, CA 93066 and commonly known as APNs 109-0-031-
21 125, 109-0-031-155, and 109-0-031-065 (the "**Green Hills Property**"), and more particularly
22 described in **Exhibit A**, which is attached hereto and incorporated herein by reference as if set
23 forth in full. Green Hills Ranch's ownership of the Green Hills Property includes the ownership
24 of rights to pump and use groundwater on its land that are senior to defendants DOES 1 through
25 3000's rights to pump and use Basin groundwater. Green Hills Ranch is in exclusive and
26 undisputed possession of the Green Hills Property.

27 18. Plaintiff ROLLING GREEN HILLS RANCH, LLC ("**Rolling Green Hills**
28 **Ranch**") is a California limited liability company and the owner of the real property located in

1 the County of Ventura at 1011 La Loma Ave., Somis, CA 93066 and commonly known as APN
 2 109-0-031-095 (the "**Rolling Green Hills Property**"), and more particularly described in **Exhibit**
 3 **A**, which is attached hereto and incorporated herein by reference as if set forth in full. Rolling
 4 Green Hills Ranch's ownership of the Rolling Green Hills Property includes the ownership of
 5 rights to pump and use groundwater on its land that are senior to defendants DOES 1 through
 6 3000's rights to pump and use Basin groundwater. Rolling Green Hills Ranch is in exclusive and
 7 undisputed possession of the Rolling Green Hills Property.

8 19. The Placco Properties, the Grimes Property, the Scholle Property, the WGS
 9 Property, the Rolling Green Hills Property, and the Green Hills Property, and all groundwater
 10 rights owned by Plaintiffs, are hereinafter collectively referred to as the "**Subject Properties.**"

11 20. Defendant **Fox Canyon** is an independent special district created by the California
 12 Legislature to manage groundwater resources within its territory for the common benefit of water
 13 users. (See Water Code App. § 121-102.) Fox Canyon is also responsible for managing
 14 groundwater in the Basin under SGMA pursuant to its election to become the GSA for the Basin.
 15 Fox Canyon is governed by a board of directors consisting of five appointed members. One
 16 member is selected by the United Water Conservation District, one member is selected by the
 17 County of Ventura, one member is selected by the cities located within Fox Canyon, and one
 18 member is selected by the mutual water companies and special districts that are within the
 19 boundaries of Fox Canyon and not governed by the County Board of Supervisors. The remaining
 20 member is selected by the other four members to represent the agricultural interests within the
 21 boundaries of Fox Canyon.

22 21. Defendant THERMIC MUTUAL WATER COMPANY LTD. ("**Thermic**") is a
 23 mutual water company organized pursuant to California Corporations Code §§ 14300 *et seq.*
 24 Thermic claims ownership of rights to extract and use groundwater from the Basin that are or
 25 may be adverse to Plaintiffs' groundwater rights.

26 22. Defendant SUNSHINE RANCH, LLC ("**Sunshine Ranch**") is a California limited
 27 liability company that claims ownership of rights to extract and use groundwater from the Basin
 28 that are or may be adverse to Plaintiffs' groundwater rights.

1 23. Defendant CITY OF MOORPARK ("**Moorpark**") is a general law city that
2 partially overlies the Basin. Plaintiffs are informed and believe, and based thereupon allege, that
3 Moorpark adversely claims ownership of rights to extract and use groundwater from the Basin
4 that are equivalent or senior to Plaintiffs' groundwater rights. Plaintiffs are informed and believe,
5 and based thereupon allege, that any groundwater rights Moorpark may have are junior to the
6 Plaintiffs' groundwater rights.

7 24. Defendant FULLER FALLS MUTUAL WATER COMPANY ("**Fuller Falls**") is
8 a mutual water company organized pursuant to California Corporations Code §§ 14300 *et seq.*
9 Fuller Falls claims ownership of rights to extract and use groundwater from the Basin that are or
10 may be adverse to Plaintiffs' groundwater rights.

11 25. Defendant CRESTVIEW MUTUAL WATER COMPANY ("**Crestview**") is a
12 mutual water company organized pursuant to California Corporations Code §§ 14300 *et seq.*
13 Crestview claims ownership of rights to extract and use groundwater from the Basin that are or
14 may be adverse to Plaintiffs' groundwater rights.

15 26. Defendant ZONE MUTUAL WATER COMPANY ("**Zone**") is a mutual water
16 company organized pursuant to California Corporations Code §§ 14300 *et seq.* Zone claims
17 ownership of rights to extract and use groundwater from the Basin that are or may be adverse to
18 Plaintiffs' groundwater rights.

19 27. Defendant BERYLWOOD HEIGHTS MUTUAL WATER COMPANY
20 ("**Berylwood**") is a mutual water company organized pursuant to California Corporations Code
21 §§ 14300 *et seq.* Berylwood claims ownership of rights to extract and use groundwater from the
22 Basin that are or may be adverse to Plaintiffs' groundwater rights.

23 28. Defendant DEL NORTE WATER COMPANY ("**Del Norte**") is a mutual water
24 company organized pursuant to California Corporations Code §§ 14300 *et seq.* Del Norte claims
25 ownership of rights to extract and use groundwater from the Basin that are or may be adverse to
26 Plaintiffs' groundwater rights.
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29. Defendant KIRSCHBAUM, LLC ("**Kirschbaum**") is a California limited liability company that claims ownership of rights to extract and use groundwater from the Basin that are or may be adverse to Plaintiffs' groundwater rights.

30. Defendant LEMON 500, LLC ("**Lemon 500**") is a Delaware limited liability company that claims ownership of rights to extract and use groundwater from the Basin that are or may be adverse to Plaintiffs' groundwater rights.

31. Defendant MITTAG RANCHES, GENERAL PARTNERSHIP ("**Mittag Ranches**") is a general partnership that claims ownership of rights to extract and use groundwater from the Basin that are or may be adverse to Plaintiffs' groundwater rights.

32. Defendant MITTAG FARMS, GENERAL PARTNERSHIP ("**Mittag Farms**") is a general partnership that claims ownership of rights to extract and use groundwater from the Basin that are or may be adverse to Plaintiffs' groundwater rights.

33. Defendant CALLEGUAS MUNICIPAL WATER DISTRICT ("**Calleguas**") is a municipal water district formed pursuant to California Water Code §§ 71000 *et seq.* Plaintiffs are informed and believe, and based thereupon allege, that Calleguas adversely claims ownership of rights to extract and use groundwater from the Basin that are equivalent or senior to Plaintiffs' groundwater rights. Plaintiffs are informed and believe, and based thereupon allege, that any groundwater rights that Calleguas may have are junior to Plaintiffs' groundwater rights.

34. Defendants VENTURA COUNTY WATERWORKS DISTRICT NO. 1 and VENTURA COUNTY WATERWORKS DISTRICT NO. 19 (collectively, "**Waterworks Districts**") are county waterworks districts formed pursuant to the County Waterworks District Law, Water Code §§ 55000 *et seq.* Plaintiffs are informed and believe, and based thereupon allege, that the Waterworks Districts adversely claim ownership of rights to extract and use groundwater from the Basin that are equivalent or senior to Plaintiffs' groundwater rights. Plaintiffs are informed and believe, and based thereupon allege, that any groundwater rights the Waterworks Districts may have are junior to the Plaintiffs' groundwater rights. The Waterworks Districts are governed by the Ventura County Board of Supervisors, and operated by the Ventura County Public Works Agency.

1 35. Defendant COUNTY OF VENTURA ("**County**") is a political subdivision of the
2 state of California. Plaintiffs are informed and believe, and based thereupon allege, that the
3 County adversely claims ownership of rights to extract and use groundwater from the Basin that
4 are equivalent or senior to Plaintiffs' groundwater rights. Plaintiffs are informed and believe, and
5 based thereupon allege, that any groundwater rights the County may have are junior to the
6 Subject Properties' groundwater rights.

7 36. Defendant TOM GREETHER FARMS, INC. ("**Grether Farms**") is a California
8 corporation that claims ownership of rights to extract and use groundwater from the Basin that are
9 or may be adverse to Plaintiffs' groundwater rights.

10 37. Defendant RANCHO CANADA WATER COMPANY ("**Rancho Canada**") is a
11 California limited partnership that claims ownership of rights to extract and use groundwater from
12 the Basin that are or may be adverse to Plaintiffs' groundwater rights.

13 38. Defendant UNITED WATER CONSERVATION DISTRICT ("**United**") is a
14 California Water Conservation District formed pursuant to the Water Conservation District Law
15 of 1931, Water Code §§ 74000 *et seq.* Plaintiffs are informed and believe, and based thereupon
16 allege, that United adversely claims ownership of rights to extract and use groundwater from the
17 Basin that are equivalent or senior to Plaintiffs' groundwater rights. Plaintiffs are informed and
18 believe, and based thereupon allege, that any groundwater rights United may have are junior to
19 the Plaintiffs' groundwater rights.

20 39. Defendant ARROYO LAS POSAS MUTUAL WATER COMPANY ("**Arroyo**")
21 is a mutual water company organized pursuant to California Corporations Code §§ 14300 *et seq.*
22 Arroyo claims ownership of rights to extract and use groundwater from the Basin that are or may
23 be adverse to Plaintiffs' groundwater rights.

24 40. Defendant BALCOM BIXBY WATER ASSOCIATION, INC. ("**Balcom**") is a
25 California corporation that claims ownership of rights to extract and use groundwater from the
26 Basin that are or may be adverse to Plaintiffs' groundwater rights.

27 41. Defendant EPWORTH MUTUAL WATER COMPANY ("**Epworth**") is mutual
28 water company organized pursuant to California Corporations Code §§ 14300 *et seq.* Epworth

1 claims ownership of rights to extract and use groundwater from the Basin that are or may be
2 adverse to Plaintiffs' groundwater rights.

3 42. Defendant LA LOMA RANCH MUTUAL WATER COMPANY ("**La Loma**
4 **Ranch**") is a mutual water company organized pursuant to California Corporations Code §§
5 14300 *et seq.* La Loma Ranch claims ownership of rights to extract and use groundwater from
6 the Basin that are or may be adverse to Plaintiffs' groundwater rights.

7 43. Defendant LAS LOMAS MUTUAL WATER COMPANY ("**Las Lomas**
8 **Mutual**") is a mutual water company organized pursuant to California Corporations Code §§
9 14300 *et seq.* Las Lomas Mutual claims ownership of rights to extract and use groundwater from
10 the Basin that are or may be adverse to Plaintiffs' groundwater rights.

11 44. Defendant SATICOY COUNTRY CLUB ("**Saticoy CC**") is a California
12 corporation. Plaintiffs are informed and believe, and based thereupon allege, that Saticoy claims
13 ownership of rights to extract and use groundwater from the Basin that are or may be adverse to
14 Plaintiffs' groundwater rights.

15 45. Defendant SOLANO VERDE MUTUAL WATER COMPANY ("**Solano Verde**")
16 is a mutual water company organized pursuant to California Corporations Code §§ 14300 *et seq.*
17 Plaintiffs are informed and believe, and based thereupon allege, that Solano Verde claims
18 ownership of rights to extract and use groundwater from the Basin that are or may be adverse to
19 Plaintiffs' groundwater rights.

20 46. Defendant WATERS ROAD DOMESTIC USERS GROUP, INC. ("**Waters**
21 **Road**") is a California corporation. Plaintiffs are informed and believe, and based thereupon
22 allege, that Waters Road claims ownership of rights to extract and use groundwater from the
23 Basin that are or may be adverse to Plaintiffs' groundwater rights.

24 47. Defendant CALIFORNIA-AMERICAN WATER COMPANY ("**Cal-Am**") is a
25 California corporation. Plaintiffs are informed and believe, and based thereupon allege, that Cal-
26 Am claims ownership of rights to extract and use groundwater from the Basin that are or may be
27 adverse to Plaintiffs' groundwater rights.
28

50. Each of the defendants identified as DOES 1 through 3,000, inclusive (“**Doe Defendants**”), are persons other than the named defendant who, whether as individuals, corporations, unincorporated associations partnerships, trustees, executors, guardians, or otherwise, claim some right, title, estate, lien, or interest in water in the Basin that is adverse to Plaintiffs’ title, or represents a cloud on Plaintiffs’ title thereto. Plaintiffs are unaware of the true names and identities of the Doe Defendants and, therefore, sue the Doe Defendants by fictitious names. Plaintiffs will amend this pleading to reflect the true identities and capacities of the Doe Defendants once ascertained.

51. The Basin, as defined by the California Department of Water Resource's Bulletin 118 as Basin No. 4-008, encompasses an area of approximately 42,200 acres. The Basin is located entirely within Ventura County, and is bordered on the south by the Springville Fault and Las Posas Hills, by South Mountain and Oak Ridge on the north, by Big Mountain on the east, and on the west by the Oxnard Subbasin of the Santa Clara River Valley Groundwater Basin. A true and correct copy of a map of the Basin is attached hereto as **Exhibit B** and incorporated herein by reference as if set forth in full.

1 52. The Basin can be divided into three groundwater sub-basins based on geologic
2 controls on groundwater flow. These sub-basins include the West, East, and South Las Posas
3 Sub-basins. The most important division lies between the West and East Las Posas sub-basins,
4 where strong evidence shows that a north-trending fault or other geologic structure forms a
5 barrier to groundwater flow between these sub-basins within their deep, confined aquifers.

6 53. Several, distinct hydrogeological features exist within the Basin. These features
7 include an upper confined aquifer and two lower, confined aquifer systems that extend throughout
8 the Basin. Three different water-bearing formations lie within the Basin, one of which consists of
9 alluvial deposits. The other two water-bearing formations are known as the San Pedro Formation
10 and the Santa Barbara Formation. The dominant water-bearing deposit of the San Pedro
11 Formation is known as the Fox Canyon Aquifer. The dominant water-bearing deposit in the
12 Santa Barbara Formation is known as the Grimes Canyon Aquifer, which underlies the Fox
13 Canyon Aquifer.

14 **B. Current Condition of the Basin and Fox Canyon's Adoption and Enforcement of**
15 **Ordinance E.**

16 54. The Basin has experienced overall stable or rising groundwater levels for two or
17 more decades. Although water levels in the Basin can and have dropped during periods of
18 drought, sufficient water is available to meet demands and maintain stable water levels over the
19 long term.

20 55. Pursuant to the Fox Canyon Groundwater Management Agency Act, Fox Canyon
21 may adopt an emergency ordinance only "if the board determines that the public health, safety, or
22 welfare so requires." (Water Code App. § 121-403.) Defendant Fox Canyon adopted Ordinance
23 E, a true and correct copy of which is attached as **Exhibit C**, as an emergency ordinance on April
24 11, 2014. By its own terms, Defendant Fox Canyon was obligated to review Ordinance E every
25 18 months until that ordinance was superseded or rescinded by action of the Board or a finding by
26 the Board that the drought or emergency condition no longer exists.

27 56. Fox Canyon has established an extraction allocation for each groundwater
28 extraction facility located within the Basin. If the owner or operator of an extraction facility

1 exceeds the extraction allocation, Fox Canyon imposes a hefty monetary surcharge (the
 2 “**Surcharge**”). Ordinance E’s categorical reduction of Plaintiffs’ extraction allocations in
 3 violation of California groundwater rights law effectively imposed and/or increased the Surcharge
 4 by applying surcharges to greater quantities of groundwater to which Plaintiffs hold senior rights.
 5 In 2017, Fox Canyon increased the amount of the Surcharge by \$146.00, to \$1461.00.

6 57. Article XIII C of the California Constitution provides that local governments shall
 7 not impose a special tax unless and until that tax is submitted to the electorate and approved by a
 8 two-thirds vote. A “special tax” is defined as any tax imposed for specific purposes. A “tax” is
 9 defined as any “levy, charge, or exaction of any kind imposed by a local government,” subject to
 10 seven exceptions. Cal. Const., art. XIII C, § 1.

11 58. The Surcharge is a “levy, charge or exaction of any kind” as specified in article
 12 XIII C and does not fall within one or more of the seven exceptions to the definition of “tax” as
 13 set forth in Article XIII C. Accordingly, the Surcharge constitutes a tax.

14 59. Plaintiffs are informed and believe, and based thereupon allege, that Fox Canyon,
 15 in adopting and implementing Ordinance E, has never attempted to comply with the provisions of
 16 Article XIII C of the California Constitution, which requires voter consent before a local
 17 government may levy taxes, assessments, fees, or charges on landowners. Fox Canyon’s enabling
 18 legislation does not supersede subsequent amendments to constitutional requirements.

19 60. Ordinance E makes no mention of groundwater rights, nor has Fox Canyon
 20 implemented Ordinance E in a way that accounts for the different types and priorities of
 21 groundwater rights held by those who use Basin groundwater. In particular, Ordinance E does
 22 not recognize longstanding California law that, during times of shortage, appropriative users of
 23 groundwater (i.e., municipalities) must reduce their extractions from the groundwater basin prior
 24 to any reductions in extractions on the part of overlying groundwater users. (*See City of Barstow*
 25 *v. Mojave Water Agency* (2000) 23 Cal.4th 1224, 1240-41; *California Water Service Co. v.*
 26 *Edward Sidebotham & Son, Inc.* (1964) 224 Cal.App.2d 715, 725 [“Proper overlying use,
 27 however, is paramount and the rights of an appropriator, being limited to the amount of the
 28 surplus must yield to that of the overlying owner in the event of a shortage” [internal citation

1 omitted]].) Further, in adopting Ordinance E, Fox Canyon improperly relied on inadequate
2 scientific and technical information about groundwater in the Basin, and unreasonably failed to
3 account for hydrological differences between the Basin and other groundwater basins subject to
4 Ordinance E.

5 61. Instead of following longstanding California law governing the exercise of
6 groundwater rights in times of shortage, which gives priority to users with overlying rights to
7 groundwater, Ordinance E allocates Basin groundwater based on whether a groundwater user is
8 pumping groundwater for Municipal and Industrial (“M&I”) purposes or agricultural purposes.
9 The allocation of M&I users, such as Plaintiff Grimes, is determined by assigning a Temporary
10 Extraction Allocation (“TEA”) based on their average annual reported extractions (exclusive of
11 extractions that incurred surcharges) for Calendar Years 2003 through 2012 and then reducing the
12 TEA by a percentage amount.

13 62. Under Ordinance E, Grimes’ ability to exercise its beneficial interest in Saticoy’s
14 senior groundwater rights was reduced by nearly 50% in 2014, and has continued to be limited to
15 this day. Ordinance E also reduced the allocations of agricultural users, such as Plaintiffs Placco,
16 Scholle Ranch, WGS Ranch, Rolling Green Hills Ranch, and Green Hills Ranch, by at least 25
17 percent upon its implementation. If Fox Canyon had followed California groundwater rights law,
18 appropriate groundwater users would have been required to cease their extraction and use of
19 Basin groundwater before any curtailment was applied to senior, overlying groundwater users,
20 such as Plaintiffs.

21 63. Ordinance E also prohibits the issuance of any permit for construction of a new
22 groundwater extraction facility, other than a replacement, backup, or standby facility, which does
23 not allow the initiation of any new or increased use of groundwater within Fox Canyon’s
24 boundaries. Although the Board may grant exceptions to this prohibition on a case-by-case basis,
25 Plaintiffs are informed and believe, and based thereupon allege, that Fox Canyon conditions any
26 exceptions to this prohibition on the assent of retail water suppliers who directly benefit from
27 restricting landowners’ groundwater rights.

1 64. Since 2014, Fox Canyon has required Plaintiffs to greatly reduce their
2 groundwater extractions or pay the Surcharge despite the fact that such limitations on pumping
3 violate California law. Plaintiffs are informed and believe, and based thereupon allege, that Fox
4 Canyon has attempted to justify the imposition of Ordinance E and the corresponding illegal
5 Surcharge by claiming that groundwater levels in the Basin are declining. Plaintiffs and others
6 have explained to Fox Canyon in detail why its contention is incorrect and provided Fox Canyon
7 with scientifically sound evidence that the groundwater levels are not declining, but rather are
8 currently in long-term balance. Fox Canyon has nevertheless refused to revisit, amend, or repeal
9 Ordinance E.

10 65. Plaintiffs are informed and believe, and based thereupon allege, that Fox Canyon
11 adopted and has refused to revisit Ordinance E as required by the terms of that ordinance.
12 Plaintiffs allege this refusal occurred and continues, in whole or in part, because reallocating
13 water from overlying water right holders to appropriative water right holders during drought
14 periods limits the need for urban interests, which hold appropriative rights, from having either to
15 reduce their usage as required by longstanding California water rights law or purchase imported
16 water supplies at increased cost and expense. Such bias, self-interest, and self-dealing constitutes
17 an abuse of the authority granted by the Legislature to Fox Canyon and requires action by this
18 Court.

19 66. Plaintiffs are informed and believe, and based thereupon allege that Fox Canyon
20 has illegally imposed, and continues to impose, Surcharges on lawful, overlying groundwater
21 users, and has illegally diverted Surcharge payments into a slush fund to be used to cover defense
22 costs when litigation occurs over its illegal allocation of the Basin's groundwater. Plaintiffs are
23 informed and believe this illegal slush fund currently contains approximately \$1.5 million. Such
24 a diversion of funds violates Article XIII C of the California Constitution because Fox Canyon
25 failed to obtain voter consent before imposing the Surcharge, and because the allocation of the
26 Surcharge does not bear a fair or reasonable relationship to the governmental activity.
27
28

1 **C. The Sustainable Groundwater Management Act and Need for Basin Adjudication.**

2 67. SGMA was passed by the California Legislature and signed by the Governor in
3 September 2014. SGMA's purpose is to ensure better local and regional management of
4 groundwater use, with a goal of having sustainable groundwater management in California by
5 2040 or 2042, depending on the basin in question.

6 68. SGMA does not change existing groundwater rights. Water Code section
7 10720.5(b) specifically provides that nothing in SGMA "determines or alters surface water rights
8 or groundwater rights under common law or any provision of law that determines or grants
9 surface water rights."

10 69. SGMA further provides that pumping that lowers groundwater levels "during a
11 period of drought is not sufficient to establish a chronic lowering of groundwater levels if
12 extractions and groundwater recharge are managed as necessary to ensure that reductions in
13 groundwater levels or storage during a period of drought are offset by increases in groundwater
14 levels or storage during other periods." Water Code § 10721(x)(1).

15 70. A GSA is a local agency that implements SGMA and serves as the primary entity
16 responsible for implementing groundwater sustainability. In high and medium-priority basins,
17 GSAs are required to develop and implement a GSP. GSPs are detailed road maps for how
18 groundwater basins will reach long-term sustainability.

19 71. In 2014, California Department of Water Resources designated the Basin as a
20 high-priority groundwater basin. Fox Canyon elected to become the GSA for the Basin in 2015,
21 and began developing a GSP. Fox Canyon retained a consultant to help prepare the GSP. Fox
22 Canyon intends to complete or has completed its GSP in 2018, despite serious concerns that have
23 been expressed by multiple people and entities, including the Coalition, about inadequate
24 technical justification for any decision.

25 72. Fox Canyon has a technical advisory committee for the Basin; each member of this
26 committee was hand-selected by Fox Canyon. In the fall of 2017, this technical advisory
27 committee reviewed the technical information developed by the consultant retained by Fox
28 Canyon to prepare the GSP. The technical advisory committee found that the information being

1 used by the consultant was *not sufficient* for the consultant to prepare a technically adequate GSP,
2 and also determined that Fox Canyon had not allotted the consultant sufficient time to prepare a
3 technically adequate GSP. The technical advisory committee strongly recommended that Fox
4 Canyon delay the preparation of the GSP until the completion of a comprehensive groundwater
5 model and the development of further technical information. Fox Canyon rejected these
6 suggestions from its own technical advisory committee and directed its consultant to prepare a
7 preliminary draft GSP.

8 73. Plaintiffs are informed and believe, and based thereupon allege, that Fox Canyon
9 intends to ultimately adopt or has adopted a GSP that violates longstanding California law by
10 allocating groundwater away from senior groundwater rights holders, such as the Coalition's
11 members, in favor of users with more junior appropriative groundwater rights. Such a
12 reallocation directly benefits the agencies that appoint a majority (four out of five) of the
13 members of Fox Canyon's governing board. Plaintiffs are further informed and believe, and
14 based thereupon allege, that Fox Canyon is considering the adoption of or has adopted an
15 ordinance to enforce this allocation scheme ("**Allocation Ordinance**"). A true and correct copy
16 of a draft version of the Allocation Ordinance is attached hereto as **Exhibit D** and is incorporated
17 herein by reference as if set forth in full.

18 74. Only a comprehensive adjudication of the Basin and an order by this Court
19 comprehensively determining all rights to extract groundwater will be sufficient to protect
20 Plaintiffs' water rights from the continuing illegal actions by Fox Canyon, which seize senior
21 water rights and apply those rights for use by the agencies that are entitled to appoint a majority
22 of Fox Canyon's governing board. Accordingly, Plaintiffs bring this action to ensure that no party
23 is deprived of its water rights by the continuing illegal actions taken by Fox Canyon. Plaintiffs
24 further bring this action to prevent Fox Canyon from continuing its illegal enforcement of
25 Ordinance E.

FIRST CAUSE OF ACTION

Declaratory Relief Against All Defendants

(Request for Comprehensive Groundwater Adjudication)

75. Plaintiffs reallege and incorporate herein, as if set forth in full, each and every allegation contained in paragraphs 1 through 74, inclusive, of this Complaint.

76. An actual controversy has arisen and now exists between Plaintiffs, on the one hand, and Defendants, on the other hand, as follows:

a. Defendants contend that groundwater levels in the Basin are declining such that groundwater users, including Plaintiffs, must limit their extractions. Plaintiffs contend that groundwater levels in the Basin have reached a state of long-term equilibrium, and that reducing Plaintiffs' allocations to Basin groundwater is unjustified, arbitrary, and capricious.

b. In the alternative, and without conceding that groundwater levels in the Basin are declining, Plaintiffs contend that, to the extent limits on pumping are necessary to bring the Basin into a state of long-term equilibrium, those limits must first account for the water rights of users. Plaintiffs are informed and believe, and based thereupon allege, that Defendants contend that limits on the extraction and use of groundwater need not account for users' legal rights to pump groundwater from the Basin under California law.

c. Plaintiffs contend that Defendants hold no prescriptive rights to extract or use groundwater from the Basin. Plaintiffs are informed and believe, and on that basis allege, that Defendants contend that Defendants have established prescriptive rights to extract and use groundwater from the Basin.

d. Plaintiffs contend that, in order to maintain the Basin in a condition of long-term equilibrium, any limits on future pumping must be imposed on Defendants in conditions of shortage because such Defendants may only extract and use water from the Basin that is surplus to the needs of overlying landowners. Plaintiffs are informed and believe, and on that basis allege, that Defendants contend that Defendants may lawfully pump groundwater from the Basin in times of shortage without restriction.

a. Determining that Defendants have no prescriptive rights to extract or use groundwater from the Basin;

b. Determining the aggregate amount of surplus water, if any, currently available from the Basin for use by Defendants;

c. Fixing the respective rights to the extraction and use of groundwater from the Basin as among all legal users of such groundwater;

d. Declaring that Plaintiffs' rights to use groundwater in the Basin are senior and superior to Defendants' rights; and

e. Declaring that Defendants' junior rights to extract and use groundwater from the Basin would be subject to curtailment as needed to maintain the Basin in a condition of long-term equilibrium in the event the current Basin surplus were to be diminished or eliminated.

SECOND CAUSE OF ACTION

Petition for Writ of Mandate against Fox Canyon

(Violation of Cal. Const., Art. XIII C)

78. Plaintiffs reallege and incorporate herein, as if set forth in full, each and every allegation contained in paragraphs 1 through 77, inclusive, of this Complaint.

79. Fox Canyon has failed to meet its burden of proving that the Surcharge is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, Fox Canyon's enforcement of Ordinance E.

80. Fox Canyon therefore abused its discretion in approving Ordinance E such that mandamus relief requiring the rescission of Ordinance E is necessary under Code of Civil Procedure section 1085. Plaintiffs have no plain, speedy, and adequate remedy available in the ordinary course of law.

THIRD CAUSE OF ACTION

Petition for Writ of Mandate against Fox Canyon

(Invalidity of Ordinance E and Fox Canyon's Failure to Review)

81. Plaintiffs reallege and incorporate herein, as if set forth in full, each and every allegation contained in paragraphs 1 through 80, inclusive, of this Complaint.

82. Ordinance E was adopted as an emergency ordinance on April 11, 2014. It requires groundwater rights holders, such as Plaintiffs, to reduce their pumping and use of groundwater from the Basin regardless of the priority of their groundwater rights. Yet under California law, overlying groundwater users cannot be compelled to reduce their pumping unless and until appropriative users such as the Waterworks Districts are compelled to completely stop pumping groundwater from the Basin. More fundamentally, Fox Canyon lacks authority to curtail the exercise of overlying groundwater rights without a finding that the Basin is in overdraft. Ordinance E made no such finding, and indeed, groundwater levels in the Basin have been stable for decades. Fox Canyon thus lacked a reasonable scientific and technical basis for its finding that the Basin faced "a real and immediate threat" to groundwater quality and quantity at the time it adopted Ordinance E.

83. Further, Ordinance E's prohibition on new wells, and its refusal to authorize exceptions to the prohibition except upon the assent of retail water suppliers who directly benefit from restricting landowners' groundwater rights, injures and impermissibly interferes with overlying rights holders' ability to exercise their groundwater rights under California law. Accordingly, Fox Canyon's adoption and continued enforcement of Ordinance E is arbitrary, capricious, an abuse of discretion, and contrary to law. Plaintiffs are thus entitled to a writ of mandate under C.C.P. § 1085 directing Fox Canyon to rescind Ordinance E.

84. In addition, Fox Canyon's adoption and enforcement of Ordinance E violates the 5th Amendment of the United States Constitution and Article I, section 19, of the California Constitution under the doctrine of regulatory takings. Fox Canyon's adoption and enforcement of Ordinance E has an enormous economic impact on Plaintiffs, significantly and substantially

1 interferes with their reasonable investment-backed expectations, and exercises dominion and
2 control over Plaintiffs' property.

3 85. Fox Canyon's adoption and enforcement of Ordinance E also violates the Fifth
4 Amendment of the United States Constitution and Article I, section 19, of the California
5 Constitution under the doctrine of unconstitutional conditions. Because California law requires
6 appropriative rights holders to cease pumping before overlying rights holders can be compelled to
7 do so, any overdraft in the Basin must be first attributed to, and addressed by curtailing,
8 appropriative rights holders. There is thus no nexus or rough proportionality between Plaintiffs'
9 exercise of their groundwater rights and any alleged overdraft of the Basin. Further, Fox
10 Canyon's refusal to recognize Plaintiffs' overlying groundwater rights in enacting Ordinance E
11 makes it unreasonable in the great majority of cases.

12 86. Ordinance E's taking of Plaintiffs' water rights, prohibition of the use of accrued
13 conservation credits to avoid paying the Surcharge, and its prohibition of the transfer of such
14 credits to other groundwater users do not substantially advance legitimate state interests and
15 therefore violate Plaintiffs' due process rights under the U.S. and California constitutions.

16 87. Ordinance E's violation of Plaintiffs' due process rights and its taking of
17 Plaintiffs' water rights without the payment of just compensation is arbitrary, capricious, an abuse
18 of discretion, and contrary to law. Plaintiffs are entitled to the issuance of a writ of mandate
19 because there is not a plain, speedy and adequate remedy available in the ordinary course of law.
20 C.C.P. §1086.

21 88. In the alternative, Plaintiffs are entitled to a writ of mandate directing Fox Canyon
22 to review Ordinance E in accordance with its own terms. Specifically, Article 5 of Ordinance E
23 requires Fox Canyon to review the ordinance every 18 months, "unless superseded or rescinded
24 by action of the Board or a finding by the Board that the drought or emergency condition no
25 longer exists." Fox Canyon has failed to comply with Article 5's review provision. This ongoing
26 review obligation was compelled by Ordinance E, and Plaintiffs are entitled to a writ of mandate
27 under C.C.P. § 1085 directing Fox Canyon to comply with Article 5's review provision.
28

89. Fox Canyon's failure to review Ordinance E is arbitrary and capricious and in excess of its jurisdiction. A proper, lawful review of Ordinance E in accordance with Article 5 would result in a conclusion that the emergency conditions under which Ordinance E was adopted are no longer valid. For example, Finding A of Article 1 of Ordinance E described the Governor of California's January 17, 2014 drought proclamation. However, that proclamation was rescinded by Governor Brown on April 7, 2017 as evidenced by the following website:

https://www.gov.ca.gov/wp-content/uploads/2017/09/4.7.17_Attested_Exec_Order_B-40-17.pdf.

Therefore, justification for an emergency ordinance no longer exists.

90. Plaintiffs are entitled to the issuance of a writ of mandate directing Fox Canyon to review Ordinance E because there is not a plain, speedy and adequate remedy available in the ordinary course of law. C.C.P. §1086.

FOURTH CAUSE OF ACTION

Quiet Title against All Defendants Except Fox Canyon

91. Plaintiffs reallege and incorporate herein, as if set forth in full, each and every allegation contained in paragraphs 1 through 90, inclusive, of this Complaint.

92. Placco is the owner of the Placco Property and all groundwater rights thereto. Saticoy is the owner of the Grimes Property and all groundwater rights thereto. Green Hills Ranch is the owner of the Green Hills Property and all groundwater rights thereto. Rolling Green Hills Ranch is the owner of the Rolling Green Hills Property and all groundwater rights thereto. WGS Ranch has a beneficial interest in the groundwater rights appurtenant to the WGS Property. Scholle Ranch has a beneficial interest in the groundwater rights appurtenant to the Scholle Property. Saticoy and Grimes have beneficial interests in the groundwater rights appurtenant to the Grimes Property.

93. All defendants other than Fox Canyon claim ownership of groundwater rights that are or may be adverse to Plaintiffs' groundwater rights. Plaintiffs are informed and believe, and based thereon allege, that Defendants' adverse claims of groundwater rights constitute clouds on Plaintiffs' title to the Subject Properties.

94. Plaintiffs therefore seek a comprehensive determination of the respective title, rights, and interests of the parties to extract and use the Basin's groundwater.

95. An action that arises out of the recovery of or title to real property is governed by a five-year statute of limitations. (See C.C.P. § 318 [five-year statute of limitations applies to recovery of real property or its possession]; C.C.P. § 318 [five-year statute of limitations applies to actions arising out of title to real property or to rents or profits out of the same].) Importantly, real property rights include overlying rights to extract groundwater. (*City of Barstow v. Mojave Water Agency* (2000) 23 Cal.4th 1224, 1240.)

96. The statute of limitations on an action to quiet title continues to accrue against a plaintiff who is in "exclusive and undisputed possession" of his property. (*Salazar v. Thomas* (2015) 236 Cal.App.4th 467, 478 [citing cases]; *Crestmar Owners Ass'n. v. Stapakis* (2007) 157 Cal.App.4th 1223.) Accordingly, Plaintiffs' quiet title action continues to accrue and is not time barred by any statute of limitations.

FIFTH CAUSE OF ACTION

Due Process Violations and Inverse Condemnation against Fox Canyon

97. Plaintiffs reallege and incorporate herein, as if set forth in full, each and every allegation contained in paragraphs 1 through 96, inclusive, of this Complaint.

98. Plaintiffs are informed and believe, and based thereupon allege, that Fox Canyon had previously established a conservation credit system to encourage cutbacks in groundwater pumping, and that Plaintiffs, or some of them, had accrued such credits before the adoption of Ordinance E. Conservation credits had value and were transferrable and, therefore, constituted property.

99. Fox Canyon's adoption of Ordinance E abolished Plaintiffs' ability to use their accrued conservation credits to avoid paying the Surcharge for extractions, or to transfer their conservation credits to other users of groundwater for the same purpose. Ordinance E also prohibits, on an ongoing basis, Plaintiffs' ability to exercise their groundwater rights on the Subject Properties to the full extent permitted by California water rights law.

100. Fox Canyon's adoption and continuing enforcement of Ordinance E has deprived Plaintiffs of the use and enjoyment of the Subject Properties, and effectively condemned a portion of the Subject Properties for the enjoyment of Doe Defendants and the public at large without due process or payment of just compensation. Plaintiffs reasonably expected to be able to exercise their groundwater rights and accrued conservation credits, and invested substantial sums consistent with that reasonable expectation. Fox Canyon's adoption and ongoing enforcement of Ordinance E thus took Plaintiffs' property without: (a) the due process required by the United States Constitution, article 1, sections 3(b)(4) and 7(a) of the California Constitution; and (b) the payment of the just compensation as required by the Fifth Amendment of the United States Constitution and article I, section 19 of the California Constitution.

101. Fox Canyon's taking of Plaintiffs' property has damaged Plaintiffs in an amount not yet fully ascertained, but which shall be determined according to proof at trial.

102. Plaintiffs have incurred and will continue to incur attorneys' and experts' fees, and other costs and expenses due to this proceeding in amounts not yet ascertained, and which amounts are recoverable in this action under Code of Civil Procedure section 1036.

103. Although Fox Canyon avers that its procedures for obtaining variances from Ordinance E constitute administrative remedies that must be exhausted before Plaintiffs may bring this claim for inverse condemnation, Plaintiffs are excused from any exhaustion requirement because it is futile for them to seek administrative relief, because they are raising constitutional issues with respect to the validity of the ordinance, and because the variance procedure constitutes an inadequate remedy. (*See Mountain View Chamber of Commerce v. City of Mountain View* (1978) 77 Cal.App.3d 82, 89 [noting recognized exceptions to exhaustion requirement]; *Horn v. County of Ventura* (1979) 24 Cal.3d 605, 611 ["One need not exhaust inadequate remedies in order to challenge their sufficiency."])

104. Fox Canyon's variance procedure is plainly inadequate. It does not call for the taking of testimony or the submission of legal briefs. It also fails to provide for resolution of a variance request by an impartial finder of fact because the Executive Officer who has authority to grant or deny variance requests is also the Public Works Director of the County, which claims

1 water rights in the Basin and operates the Waterworks Districts. (*See Glendale City Employees'*
2 *Ass'n. v. City of Glendale* (1975) 15 Cal.3d 328, 342.) Finally, Ordinance E does not permit a
3 variance to be granted on the ground that Ordinance E violates an applicant's water rights.

4 105. It would also be futile for Plaintiffs to exhaust their administrative remedies by
5 requesting variances. By its own terms, Ordinance E permits Fox Canyon to grant a request for a
6 variance only if: (a) there are special circumstances or exceptional characteristics of the variance
7 applicant that are not applicable to comparable owners or well operators; (b) if the strict
8 application of Ordinance E would result in practical difficulties or unnecessary hardships
9 inconsistent with the general purpose of Ordinance E; or (c) that the granting of a variance will
10 result in no net detriment to the Basin. These three grounds for granting a variance request do not
11 permit Fox Canyon to grant a variance on the ground that Ordinance E violates an applicant's
12 water rights. Furthermore, Plaintiffs have repeatedly explained to Fox Canyon that Ordinance E
13 violates their senior water rights, but Fox Canyon has ignored their concerns and taken the
14 position that water rights are irrelevant to its management of the Basin. Fox Canyon has repeated
15 that position in this litigation, and there is no reason for the Court to believe that Fox Canyon will
16 change that position if Plaintiffs apply for variances.

17 106. A five-year statute of limitation periods applies for actions arising out of real
18 property. C.C.P. §§ 318, 319. The general rule is that "if property is taken, the five-year
19 limitation on actions to recover property applies." (*Bookout v. State ex rel. Dept. of Transp.*
20 (2010) 186 Cal.App.4th 1478, 1483.) Fox Canyon's Ordinance E and its implementation of the
21 same exercises control over Plaintiffs' real property; therefore, an inverse condemnation claim is
22 not time barred so long as it is brought within five years of the government's taking. (*Bookout*,
23 *supra*, 186 Cal.App.4th at p. 1484.)

24 107. Under California law, the theory of continuous accrual allows Plaintiffs to pursue a
25 separately actionable wrong for which the statute of limitations has not yet expired, even if earlier
26 wrongs may be time barred. (*Aryeh v. Canon Business Solutions, Inc.* (2013) 55 Cal.4th 1185,
27 1199-1200.) Plaintiffs' due process and inverse condemnation cause of action is not barred for
28 any continuing actionable wrongs that occurred within the statute of limitations. (*Ibid.*)

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment as follows:

1. For a declaration that that Defendants have no prescriptive rights to extract or use groundwater from the Basin.
2. For a declaration that Defendants' rights to the extraction and use of the Basin's groundwater, if any, are junior to those of Plaintiffs.
3. For an order determining the aggregate amount of surplus water, if any, currently available from the Basin for appropriation by Defendants.
4. For an order declaring that Defendants' appropriative rights to extract and use groundwater from the Basin would be subject to curtailment as necessary to maintain the Basin in a condition of long-term equilibrium if any source of water that replenishes the Basin were to be diminished or eliminated.
5. For an order fixing the respective rights to the extraction and use of groundwater from the Basin as among all users of such groundwater.
6. For an order finding Ordinance E invalid to the extent that it requires limitations on Plaintiffs' exercise of the water rights prior to or along with reductions by municipal pumpers.
7. For the issuance of a writ of mandate requiring the rescission of Ordinance E on the grounds that it violates California groundwater rights law, takes private property without the payment of just compensation as required by the California and U.S. Constitution, violates the U.S. and California constitutions under the doctrine of unconstitutional conditions, takes private property without due process as required by the U.S. and California constitutions, and violates Article XIII C of the California Constitution; or, in the alternative, for the issuance of a writ directing Fox Canyon to review Ordinance E pursuant to its express terms..
8. For a judgment declaring that Fox Canyon's adoption and enforcement of Ordinance E constitute a taking of Plaintiffs' groundwater rights and compensation credits requiring due process and the payment of just compensation.

- 1 9. For damages in an amount to be determined according to proof at trial.
- 2 10. For attorneys' and experts' fees, and other costs and expenses incurred due to this
- 3 proceeding, pursuant to Code of Civil Procedure sections 1021.5 and 1036.
- 4 11. For any and all other relief that the Court deems just and proper.
- 5

6 DATED: October 26, 2018

DOWNEY BRAND LLP

7
8 By: 

9 DAVID R.E. ALADJEM
10 Attorney for Plaintiffs
11 LOS POSAS VALLEY WATER RIGHTS
12 COALITION, et al.
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Exhibit A

<u>NAME</u>	<u>ADDRESS</u>	<u>APN</u>	<u>LEGAL DESCRIPTION</u>
Scholle Property (49 Acre Scholle Ranch dba SCS)	Walnut Ave Camarillo, CA	110-0-091-010	<p>The Subject Property is legally described, in part, as follows:</p> <p>Those portions of Lots 31 and 32, Rancho Santa Clara Del Norte, in the County of Ventura, State of California, according to the Map recorded in Book 3, Page 26 of Maps.</p>
WGS Property (William G. Scholle Ranch)	289 E. Los Angeles Ave., Somis, CA	110-0-120-160	<p>The Subject Property is legally described, in part, as follows:</p> <p>Those portion of Lot 5, Rancho Las Posas, in the County of Ventura, State of California, according to the map recorded in Book 3, Page 22 of Miscellaneous Records (Maps), in the office of the County Recorder of said County and of Lots 31 and 42, Rancho Santa Clara del Norte, in said county and state, according to the map recorded in Book 3, Page 26 of Miscellaneous Records (Maps).</p>
Grimes Property (Saticoy Properties LLC)	3500 Grimes Canyon Rd Fillmore, CA 93015	500-0-050-135 500-0-090-260 500-0-090-270	<p>The Subject Property is legally described, in part, as follows:</p> <p><u>Parcel 1:</u> The North half of the Southeast quarter and the Southwest quarter of the Southeast quarter of Section 18, Township 3 North, Range 19 West, San Bernardino Meridian, in the County of Ventura State of California according to the official plat of the survey of said land filed in the district land office on June 25, 1884.</p> <p><u>Parcel 2:</u> The Southeast quarter of the Southeast quarter</p>

<u>NAME</u>	<u>ADDRESS</u>	<u>APN</u>	<u>LEGAL DESCRIPTION</u>
			<p>of Section 18, Township 3 North, Range 19 West, San Bernardino Meridian, in the County of Ventura, State of California, according to the official plat of the survey of said land filed in the district land office of June 25, 1884.</p> <p><u>Parcel 3:</u> A portion of the Southwest one-quarter of the Northeast one-quarter of Section 18, Township 3 North, Range 19 West, San Bernardino base and Meridian in the County of Ventura, State of California.</p>
		500-0-090-055 500-0-090-325 500-0-090-365	<p>The Subject Property is legally described, in part, as follows:</p> <p>That portion of Section 19, Township 3 North, Range 19 West, San Bernardino Meridian in the County of Ventura, State of California, more particularly being a portion of Parcel A of that certain Parcel Map Waiver No. 895 recorded December 8, 1998 as Document No. 98-215343 of Official Records in the office of the County Recorder of said County.</p>
		500-0-090-280 500-0-090-290	<p>The Subject Property is legally described, in part, as follows:</p> <p>That portion of Parcel 2 of Parcel Map Waiver No. 1013, recorded July 10, 2000 as Instrument No. 2000-107796 of Official Records, being a portion of the West half of the Southwest quarter of Section 17, Township 3 North, Range 19 West, San Bernardino Meridian, in the County of Ventura, State of California.</p>

<u>NAME</u>	<u>ADDRESS</u>	<u>APN</u>	<u>LEGAL DESCRIPTION</u>
		500-0-090-355	<p>The Subject Property is legally described, in part, as follows:</p> <p>Being a portion of Lot 1 and the northeast quarter of the northwest quarter of Section 19, Township 3 North, Range 19 West, San Bernardino Meridian, in the County of Ventura, State of California, according to the official plat thereof and a portion of Section 19, more particularly being all of Parcel 3 of that certain Parcel Map Waiver No. 1045, recorded December 1, 2000 as Document No 2000-0189812-00 of Official Records.</p>
Rolling Green Hills Property (Rolling Green Hills Ranch LLC)	1011 W La Loma Ave Somis, CA 93066	109-0-031-095	<p>The Subject Property is legally described, in part, as follows:</p> <p>That portion of Lots 6 and 7 of Rancho Santa Clara Del Norte, in the County of Ventura, State of California, as per Map recorded in Book 5, Page 4 1/2 of miscellaneous records (Maps), in the office of the County Recorder of said County, as described in deed recorded June 15, 1987, as Instrument No. 87-093654 of Official Records, in the County of Ventura, state of California.</p>
Green Hills Property (Green Hills Ranch, LLC)	1011 W La Loma Ave Somis, CA 93066	109-0-031-125 109-0-031-065 109-0-031-155	<p>The Subject Property is legally described, in part, as follows:</p> <p><u>Parcel A:</u> That portion of Lots 6, 7 and 8 of Rancho Santa Clara del Norte, in the County of Ventura, State</p>

<u>NAME</u>	<u>ADDRESS</u>	<u>APN</u>	<u>LEGAL DESCRIPTION</u>
			<p>of California, as per Map recorded in Book 5, Page 4 1/2 of Miscellaneous Records, in the office of the County Recorder of said County, being a part of Parcels "B" and "C" as described in Parcel Map Waiver No. 356, recorded September 26, 1989, as Document No. 89-151534 of Official Records, shown as Parcel 2 on the Parcel Map Waiver No. PMW-615, recorded June 22, 1992, as Document No. 92-109725 of Official Records.</p> <p><u>Parcel B:</u> Part of Lot 6, of the Rancho Santa Clara del Norte, in the County of Ventura, State of California, as per Map recorded in Book 5, Page 4 1/2 Miscellaneous Records, in the office of the County Recorder of said County.</p>
Placco Properties (Placco, LLC)	3400 E Los Angeles Ave Somis, CA 93066	155-0-270-200	<p>The Subject Property is legally described, in part, as follows:</p> <p>That portion of tract 42 of the Rancho Las Posas in the County of Ventura, State of California, as per Map recorded in Book 3, Page 22 of Maps, in the office of the County Recorder of said County, being a portion of the lands described as Parcel 1 in that certain deed recorded in Book 124, Page 382 of deeds, records of said County.</p>
		155-0-270-275	<p>The Subject Property is legally described, in part, as follows:</p> <p>The Northerly 300 feet of the Westerly 1300 feet as measured along the Northerly line of Parcel 4, from the</p>

<u>NAME</u>	<u>ADDRESS</u>	<u>APN</u>	<u>LEGAL DESCRIPTION</u>
			most Northwesterly corner of said Parcel 4 in the County of Ventura, State of California, as shown on Parcel Map filed in Book 16, Page 97 of Parcel Maps, in the office of the County Recorder of said County.
	1401 E La Loma Ave Somis, CA 93066	110-0-010-155	The Subject Property is legally described, in part, as follows: Parcel 1 of Parcel Map No, 2677, County of Ventura, State of California, as per Map filed in Book 25, Page 67 and 68 of Parcel Maps, in the office of the County Recorder of Ventura County.
	3232 Somis Rd Somis, CA 93066	163-0-010-370 163-0-010-420 163-0-010-430 163-0-010-440 163-0-010-450 163-0-010-460 163-0-010-480	The Subject Property is legally described, in part, as follows: Parcel "A", in the County of Ventura, State of California, as per map filed in Book 14, Page 94 of Parcel Maps, in the office of the County Recorder of said County.
	3500 Worth Way Camarillo, CA 93012	163-0-010-270	The Subject Property is legally described, in part, as follows: Parcel A, in the County of Ventura, State of California, as shown on the Parcel Map filed in Book 10 Page 44 of Parcel Maps, in the office of the County Recorder of Ventura County.
		163-0-010-320	The Subject Property is legally described, in part, as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>APN</u>	<u>LEGAL DESCRIPTION</u>
			Parcel 1, in the County of Ventura, State of California, as shown on the Parcel Map filed in Book 11, Page 100 of Parcel Maps, in the office of the County Recorder of said County.
		163-0-010-330	<p>The Subject Property is legally described, in part, as follows:</p> <p>Parcel 2, in the County of Ventura, State of California, as shown on the Parcel Map filed in Book 11, Page 100 of Parcel Maps, in the office of the County Recorder of said County.</p>
	3072 E Los Angeles Ave Somis, CA 93066	155-0-270-230 155-0-270-215 155-0-270-280 155-0-270-290 155-0-270-305 155-0-270-315 155-0-270-325	<p>The Subject Property is legally described, in part, as follows:</p> <p>Being a portion of Tracts 42 and 43 of the Rancho Las Posas, in the County of Ventura, State of California, as same designated and delineated upon that certain map entitled "Map of the Rancho Las Posas, Ventura County as Re Surveyed and Subdivided in 1888 by John T. Stow, County Surveyor" and recorded in Book 3, Page 22 of Miscellaneous Records, in the office of the County Recorder of said County, as shown and defined as Parcels A and B on Parcel Map Waiver No. 1229, recorded May 18, 2004, as Document No. 20040518-138384 of Official Records.</p>

Exhibit B

4-008 LAS POSAS VALLEY**Basin Boundaries****Summary**

The Las Posas Valley groundwater subbasin is located in Las Posas Valley in southern Ventura County. The subbasin is bound on the north by South Mountain and Oak Ridge. The subbasin is bound on the east by Big Mountain and on the south by the Springville fault and the Las Posas Hills. The subbasin is bound on the west by the Oxnard subbasin. The boundary is defined by six (6) segments detailed in the descriptions below.

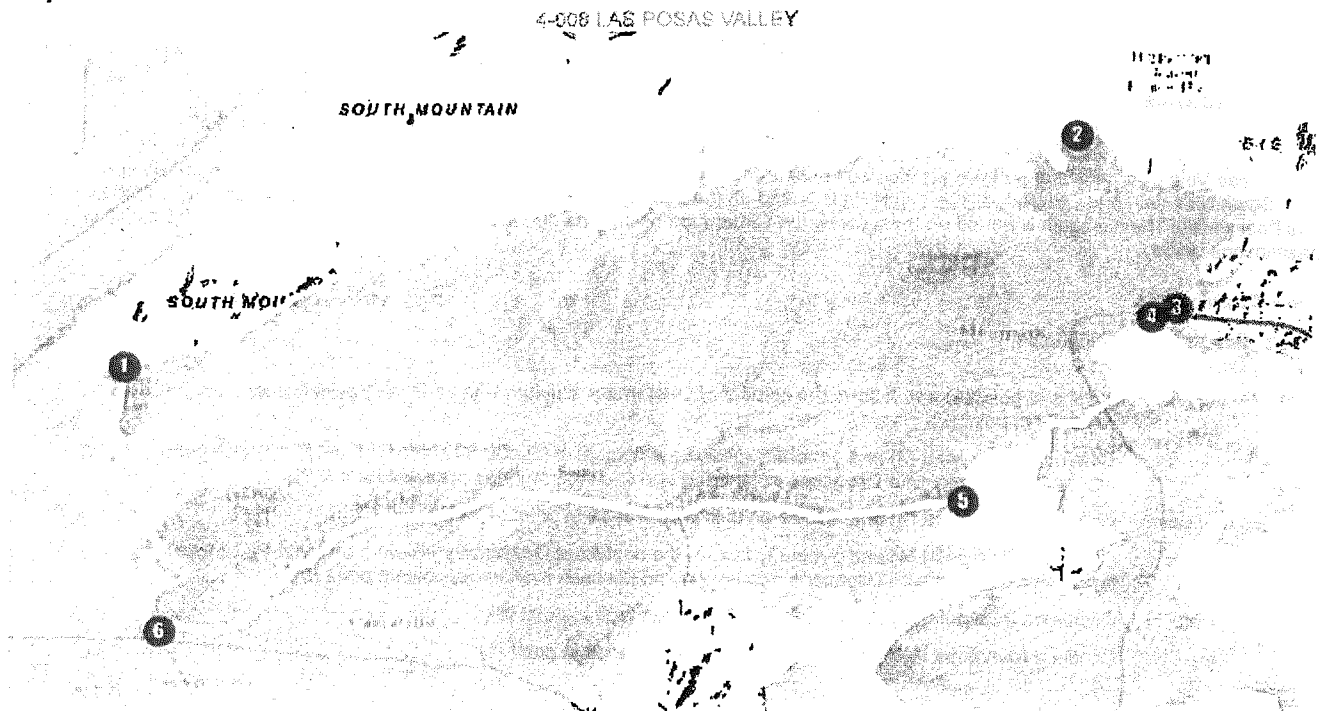
Segment Descriptions

<u>Segment Label</u>	<u>Segment Type</u>	<u>Description</u>	<u>Ref</u>
1-2	Alluvial	Begins at point (1) and follows the contact of Quaternary alluvium with various Plio-Pleistocene marine deposits to point (2).	(a)
2-3	Alluvial	Continues from point (2) and generally follows the contact of Quaternary alluvium and Plio-Pleistocene nonmarine deposits with Oligocene nonmarine and Miocene marine deposits to point (3).	(a)
3-4	Unknown	Continues from point (3) and follows an unknown feature to point (4).	(b)
4-5	Alluvial	Continues from point (4) and generally follows the contact of Quaternary alluvium and Plio-Pleistocene nonmarine deposits with Oligocene nonmarine and Miocene marine deposits to point (5).	(a)
5-6	Fault	Continues from point (5) and follows the Springville fault to point (6).	(a)
6-1	Property	Continue from point (6) and follows parcel lines and ends at point (1).	(c)

Significant Coordinates

<u>Point</u>	<u>Latitude</u>	<u>Longitude</u>
1	34.28088987	-119.109830326
2	34.331176088	-118.863626838
3	34.294085175	-118.837197481
4	34.292171285	-118.843826184
5	34.251448585	-118.891266427
6	34.223266492	-119.100128913

Map



<http://sgma.water.ca.gov/best/?appid=160718113212&subbasinid=4-08>

References

Ref Citation

- {a} California Geological Survey (CGS), Geologic Atlas of California Map No. 008, Los Angeles Sheet, 1:250,000, Charles W. Jennings and Rudolph G. Strand. URL: <http://www.quake.ca.gov/gmaps/GAM/losangeles/losangeles.html>
- {b} Unknown/other/new
- {c} BBMRS

Pub Date	Global ID
1989	33
varies	46
varies	45

Footnotes

I: Internal
E: External

Exhibit C

EMERGENCY ORDINANCE – E

AN EMERGENCY ORDINANCE LIMITING EXTRACTIONS FROM GROUNDWATER EXTRACTION FACILITIES, SUSPENDING USE OF CREDITS AND PROHIBITING CONSTRUCTION OF ANY GROUNDWATER EXTRACTION FACILITY AND/OR THE ISSUANCE OF ANY PERMIT THEREFOR

The Board of Directors of the Fox Canyon Groundwater Management Agency, State of California, ordains as follows:

ARTICLE 1. Findings

The Board of Directors hereby finds that:

- A. On January 17, 2014, the Governor of the State of California proclaimed a state of emergency due to current drought conditions and called on Californians to reduce their water usage by 20 percent. On March 1, 2014, the Governor signed into law emergency drought legislation that finds and declares that California is experiencing an unprecedented dry period and shortage of water for its citizens, local governments, agriculture, environment, and other uses.
- B. The U.S. Drought Monitor has designated the territory of the Agency to be currently in a condition of exceptional drought.
- C. The United Water Conservation District has reported that groundwater storage in the Oxnard Plain Basin Forebay dropped by 32,200 acre feet in the past year and groundwater levels are currently below sea level. Continued dry conditions and regulatory restrictions on diversions from the Vern Freeman Diversion will result in less water available for recharge of the Forebay.
- D. On February 25, 2009, the Fox Canyon Groundwater Management Agency Board of Directors in response to a serious water resource problem constituting a very real and immediate threat to groundwater quality and quantity to the West, East, and South Las Posas Basins and any and all basins tributary thereto adopted Emergency Ordinance D, entitled An Emergency Ordinance to Impose a Temporary Moratorium on Construction of New Wells and to Provide an Upper Limitation to Efficiency Extraction Allocation Within the West, East, and South Las Posas Groundwater Basins Pending Development of a Basin-Specific Management Plan.
- E. Emergency Ordinance D was replaced by Ordinance 8.6 which presumed the development of a Basin-Specific Management Plan. However, the threats to groundwater quality and quantity in the Las Posas Basins remain and have increased due to persistent drought conditions, and the lack of a Basin-Specific Management Plan.

- F. The Agency's 2007 Update to its Groundwater Management Plan established basin yield at 100,000 acre-feet per year; however, average annual total extractions within the Agency for Calendar Years 2003 through 2012 were 124,586 acre-feet.
- G. Due to persistent dry conditions, the Department of Water Resources on January 31, 2014, announced a 2014 State Water Project Allocation of zero percent.
- H. The cumulative use of conservation credits has reduced the benefit of previous reductions in historical allocations, and could limit any benefit derived through this Emergency Ordinance.
- I. The Board may adopt ordinances for the purpose of regulating, conserving, managing, and controlling the use and extraction of groundwater within the territory of the Agency.
- J. The measures adopted in this emergency ordinance are necessary in order to improve and protect the quantity and quality of groundwater supplies within the territory of the Agency, to prevent a worsening of existing conditions, to allow time to implement a definite and long-term solution to improve groundwater conditions in the Agency and to bring groundwater extractions into balance with recharge.
- K. This emergency ordinance is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Sections 15307 and 15308 as an action taken "to ensure the maintenance, restoration, or enhancement of natural resources or the environment."

ARTICLE 2. Reduction of Groundwater Extractions

- A. For the duration of this emergency ordinance, all Municipal and Industrial Operators' extraction allocations, regardless of type, shall be replaced with a Temporary Extraction Allocation (TEA) based on an operator's average annual reported extractions, not including any extractions that incurred surcharges, for Calendar Years 2003 through 2012.
- B. For the Port Hueneme Water Agency (PHWA), their TEA shall be established according to the Agency's approved July 24, 1996 agreement and allocations contained within.
- C. Temporary Extraction Allocations (TEA) shall be reduced in order to eliminate overdraft from the aquifer systems within the boundaries of the Agency for municipal and industrial uses. The reductions shall be as follows:

1. Beginning July 1, 2014	10% (TEA x 0.90/2)
2. Beginning January 1, 2015	15% (TEA x 0.85/2)
3. Beginning July 1, 2015	20% (TEA x 0.80/2)
4. Beginning January 1, 2016	20% (TEA x 0.80)

- D. For reported extractions starting on August 1, 2014, all Agricultural Operators' extraction allocations, regardless of type, shall be replaced with an Annual Efficiency Allocation as provided in Section 5.6.1.2. of the Agency Ordinance Code, except that the annual irrigation allowances used to calculate the Irrigation Allowance Index shall be adjusted downward 25% from the allowances set forth in Resolution No. 2011-04 (Exhibit No. 1). For computing the irrigation allowance, the definition of Planted Acre may include designated areas that grew irrigated crops in the twelve months prior to August 1, 2014, but have subsequently been fallowed or are growing a non-irrigated crop.
- E. On February 1, 2015, the Board may by Resolution undertake an additional adjustment to the annual irrigation allowances used to calculate the Irrigation Allowance Index, or other pumping restrictions in order to achieve a cumulative 10% reduction in pumping by Agricultural Operators.
- F. On August 1, 2015, the Board may by Resolution undertake an additional adjustment to the annual irrigation allowances used to calculate the Irrigation Allowance Index, or other pumping restrictions in order to achieve a cumulative 20% reduction in pumping by Agricultural Operators.
- G. Notwithstanding the extraction allocations established pursuant to Chapter 5.0 of the Agency Ordinance Code, all extractions in excess of the allocations established and adjusted by this emergency ordinance shall be subject to extraction surcharges.
- H. The Executive Officer may, on written request from a land owner or operator, grant a variance from the requirements of this article based on a showing:
 - 1. That there are special circumstances or exceptional characteristics of the owner or operator which do not apply generally to comparable owners or operators in the same vicinity; or
 - 2. That strict application of the reductions as they apply to the owner or operator will result in practical difficulties or unnecessary hardships inconsistent with the general purpose of this emergency ordinance; or
 - 3. That the granting of such variance will result in no net detriment to the aquifer systems.

ARTICLE 3. Limitation on Accrual and Use of Credits

Notwithstanding Section 5.7 of the Agency Ordinance Code, conservation credits shall not be obtained and may not be used to avoid paying surcharges for extractions while this emergency ordinance is in effect.

ARTICLE 4. Prohibition on New Extraction Facilities

The Board prohibits the issuance of any permit for construction of a groundwater extraction facility, other than a replacement, backup or standby facility which does not allow the initiation of any new or increased use of groundwater, within the territory of the Agency. The prohibition set forth shall not apply to any permit for which a completed application is on file with the Agency on or before February 26, 2014, or for any permit in furtherance of a pumping program approved by the Board. For the purpose of this Article 4, a new or increased use is one that did not exist or occur before the effective date of this emergency ordinance. The Board may grant exceptions to the prohibition set forth in this Article 4 on a case-by-case basis. Applications for exceptions shall conform to the requirements of Section 5.2.2.3. of the Agency Ordinance Code and will be approved only if the Board makes the findings set forth in Section 5.2.2.4. of the Agency Ordinance Code.

ARTICLE 5. Duration

This emergency ordinance shall remain in effect from the date of adoption and reviewed every eighteen months, unless superseded or rescinded by action of the Board or a finding by the Board that the drought or emergency condition no longer exists.

ARTICLE 6. Effective Date

This ordinance shall become effective immediately upon adoption by the vote of at least four members of the Board; otherwise it shall become effective on the thirty-first day after adoption.

PASSED AND ADOPTED this 11th day of April 2014 by the following vote:

AYES: 5
NOES: 0
ABSENT: 0

By:


Lynn Maulhardt, Chair, Board of Directors
Fox Canyon Groundwater Management Agency

ATTEST: I hereby certify that the above is a true and correct copy of Emergency Ordinance E.

By:



Jessica Kam, Clerk of the Board

Exhibit No. 1 – Current Irrigation Allowance Index and - Proposed Allowance Index Values
(Adjusted 25%)

Irrigation Allowance Index Values (Adjusted 25%)*

Acre-Feet/Acre

	# of Crops	Oxnard (Z1)			Camarillo (Z2)			Santa Paula (Z3)		
		Typical	Dry	Wet	Typical	Dry	Wet	Typical	Dry	Wet
		Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A
Includes leaching and DU = 0.8										
Spring Veg./Fall Celery	2	2.7	2.8	2.5	3.0	3.2	2.8	3.3	3.4	3.0
Summer Veg./Fall Veg	2	2.5	2.7	2.4	2.8	3.0	2.7	3.0	3.2	2.9
Spring Veg./Late Summer Veg./+part Late Fall Veg*	2+plus	2.9	3.1	2.8	3.3	3.5	3.1	3.6	3.8	3.4
Crop		Oxnard (Z1)			Camarillo (Z2)			Santa Paula (Z3)		
		Typical	Dry	Wet	Typical	Dry	Wet	Typical	Dry	Wet
		Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A	Total AF/A
Avocado - 20% Ground Shading	1	1.4	1.5	1.3	1.6	1.7	1.5	1.7	1.9	1.6
Avocado - 50% Ground Shading	1	2.0	2.2	1.9	2.3	2.5	2.1	2.5	2.8	2.3
Avocado - 70% Ground Shading	1	2.7	3.1	2.6	3.1	3.5	3.0	3.4	3.8	3.2
Blueberries 20% Ground Shading	1	1.4	1.4	1.3	1.5	1.8	1.5	1.8	1.9	1.7
Blueberries 50% Ground Shading	1	2.0	2.1	1.9	2.2	2.3	2.2	2.4	2.5	2.4
Blueberries 70% Ground Shading	1	2.7	2.9	2.6	3.1	3.3	3.0	3.4	3.6	3.2
Celery - Single Crop	1	1.5	1.6	1.4	1.7	1.8	1.5	1.8	1.9	1.6
Citrus - 20% Ground Shading	1	1.4	1.6	1.3	1.6	1.8	1.5	1.8	1.9	1.6
Citrus - 50% Ground Shading	1	1.9	2.0	1.8	2.2	2.3	2.0	2.4	2.5	2.2
Citrus - 70% Ground Shading	1	2.6	2.7	2.4	2.9	3.0	2.7	3.2	3.3	2.9
Lima Beans	1	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	0.9
Misc. Veg Greenhouse - Fall	1	0.9	0.9	0.8	1.0	1.0	0.9	1.0	1.1	1.0
Misc. Veg Greenhouse - Spr	1	1.0	1.1	0.9	1.1	1.2	1.1	1.2	1.3	1.2
Misc. Veg Greenhouse - Summer	1	1.2	1.2	1.2	1.3	1.3	1.3	1.4	1.4	1.4
Misc. Veg Single Crop - Fall	1	1.0	1.1	1.0	1.1	1.2	1.0	1.2	1.3	1.1
Misc. Veg Single Crop - Spr	1	1.2	1.3	1.1	1.3	1.4	1.2	1.5	1.6	1.4
Misc. Veg Single Crop - Summer	1	1.5	1.5	1.5	1.7	1.7	1.6	1.8	1.9	1.8
Nursery (Non-Greenhouse)	1	3.2	3.4	3.1	3.6	3.8	3.5	4.0	4.2	3.8
Nursery (Greenhouse)	1	3.4	3.5	3.3	3.8	3.9	3.7	4.2	4.3	4.0
Raspberries - Tunnel	1	3.2	3.4	3.1	3.7	3.8	3.6	4.0	4.2	3.9
Sod	1	3.0	3.2	2.9	3.4	3.6	3.3	3.7	3.9	3.6
Strawberries-Main Season	1	2.3	2.5	2.2	2.6	2.7	2.4	2.8	2.9	2.6
Strawberries-Summer	1	1.4	1.4	1.3	1.5	1.6	1.4	1.6	1.7	1.5
Tomatoes - Peppers	1	1.7	1.7	1.6	1.9	1.9	1.8	2.1	2.1	2.0

*Adopted by FCGMA Board on April 11, 2014

Exhibit D

**AN ORDINANCE TO ESTABLISH AN ALLOCATION SYSTEM FOR THE LAS POSAS VALLEY
GROUNDWATER BASIN**

ARTICLE 1. FINDINGS

- 1.1. The Las Posas Valley Groundwater Basin ("Basin") is located within Fox Canyon Groundwater Management Agency ("Agency") and has been categorized by the California Department of Water Resources as a high priority groundwater basin.
- 1.2. The Agency's 2007 Update to its Groundwater Management Plan recommends development of a basin-specific management plan to address the unique characteristics of the Basin which distinguish it from other groundwater basins within the Agency.
- 1.3. On February 25, 2009, the Fox Canyon Groundwater Management Agency adopted an emergency ordinance, Emergency Ordinance D, which imposed a moratorium on new wells and a limitation on agricultural extractions within the Basin.
- 1.4. Emergency Ordinance D, which expired by its own terms on January 1, 2010, was adopted with the purpose and intent to: (a) prevent a worsening of the groundwater overdraft in the aquifer systems within the Basin; (b) facilitate the development of a basin-specific management plan for the Basin; and (c) bring extractions within the Basin into balance with recharge.
- 1.5. On December 11, 2011, the Agency adopted Ordinance No. 8.6, An Ordinance to Amend the Fox Canyon Groundwater Management Agency Ordinance Code Relating to Establishment and Protection of the Las Posas Basin Management Area.
- 1.6. Ordinance No. 8.6 was adopted with the purpose and intent to facilitate implementation of groundwater management strategies identified in a Las Posas Basin-Specific Management Plan to maintain a reliable groundwater supply of a quality suitable for the needs of groundwater users in the basins.
- 1.7. The Agency's development of a Las Posas Basin-Specific Groundwater Management Plan has been superseded by the requirement in the Sustainable Groundwater Management Act ("SGMA") to adopt and implement a Groundwater Sustainability Plan for the Basin.
- 1.8. The Groundwater Sustainability Plan will include a sustainable yield for the Basin which is expected to be less than the total average annual groundwater extractions from the Basin.
- 1.9. SGMA and the Agency's enabling legislation authorize the Agency to eliminate excess pumping by establishing an extraction allocation for all extraction facilities within the Basin.

1.10. This ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to Water Code section 10728.6 and CEQA Guidelines sections 15061(b)(3), 15307 and 15308.

ARTICLE 2. PURPOSE

The purpose of this ordinance is to ensure that the Las Posas Valley Groundwater Basin is operated within its sustainable yield and consistent with the Groundwater Sustainability Plan. It is not the purpose of this ordinance to determine or alter water right entitlements, including those which may be asserted pursuant to California Water Code sections 1005.1, 1005.2 or 1005.4.

ARTICLE 3. PERIODIC REVIEW PROCEDURE

The Board will periodically review the effectiveness of this ordinance toward meeting its purpose. This review shall occur at least once every five years. If necessary, this ordinance will be amended to ensure that the sustainability goals of the Groundwater Sustainability Plan are met.

ARTICLE 4. DEFINITIONS

- 41. "Agency" shall mean the Fox Canyon Groundwater Management Agency
- 42. "Base Period" shall mean calendar years 2009 through 2013.
- 43. "Base Period Extraction" shall mean the average annual groundwater extraction, in acre-feet, of a well or group of wells associated with an allocation pool during the Base Period, as reported to the Agency.
- 44. "Basin" shall mean the Las Posas Valley Groundwater Basin.
- 45. "Domestic Operator" shall mean an owner or operator that provides water for domestic purposes that provides water service to no more than ____ parcels.
- 46. "East Las Posas Management Area" shall mean the geographic area identified as such in the Groundwater Sustainability Plan.
- 47. "Extraction Facility" shall mean any device or method (e.g. water well) for extraction of groundwater within the Basin.
- 48. "Fairview/Epworth Gravels Aquifer Management Area" shall mean the geographic area identified as such in the Groundwater Sustainability Plan.
- 49. "Groundwater Sustainability Plan" shall mean the plan developed and adopted by the Agency for

the Basin pursuant to the Sustainable Groundwater Management Act.

4.10. "Operator" shall mean a person operating a groundwater extraction facility. The owner of a groundwater extraction facility shall be conclusively presumed to be the operator unless a satisfactory showing is made to the Agency that the groundwater extraction facility actually is operated by some other person.

4.11. "Owner" shall mean a person owning a groundwater extraction facility or an interest in a groundwater extraction facility other than a lien to secure the payment of a debt or other obligation and shall include any Mutual Water Company and incorporated ownership.

4.12. "Person" shall mean any state or local governmental agency, private corporation, firm, partnership, individual, group of individuals, or, to the extent authorized by law, any federal agency.

4.13. "Sustainable Groundwater Management Act or SGMA" shall mean Part 2.74 of Division 6 of the California Water Code, sections 10720 et seq.

4.14. "Sustainable yield" shall mean the maximum quantity of water that can be withdrawn annually from the Basin as established in the Groundwater Sustainability Plan.

4.15. "Water Year" shall mean the period from October 1 of one calendar year through September 30 of the following calendar year.

4.16. "West Las Posas Management Area" shall mean the geographic area identified as such in the Groundwater Sustainability Plan.

ARTICLE 5. GENERAL PROVISIONS

5.1. Notwithstanding any other Agency ordinance provision to the contrary, the Executive Officer shall establish an operator's extraction allocation for each extraction facility located within the Basin as set forth herein.

5.2. An extraction allocation established under this ordinance is assigned to an extraction facility. An operator with more than one extraction facility in the Basin may combine the extraction allocations for the individual facilities.

5.3. All extractions during a Water Year in excess of the allocations established by this ordinance shall be subject to extraction surcharges as provided in the Agency Ordinance Code.

5.4. Extraction allocations may be transferred or adjusted as provided in article 10 or article 13 of this ordinance.

ARTICLE 6. INITIAL ALLOCATION

Upon adoption of the Groundwater Sustainability Plan and until such time as the reductions in article 11 are implemented, an operator's extraction allocation shall be the greater of: (a) average annual extractions during the Base Period, excluding any extractions that incurred surcharges; (b) extractions in 2015 unless in excess of the extraction allocation for that year; or (c) the minimum allocation as provided in article 8 of this ordinance. The allocations established by this article shall take effect at the beginning of the Water Year following adoption of the Groundwater Sustainability Plan and shall be prorated for the first Water Year to reflect the transition from a calendar year reporting system.

ARTICLE 7. ALLOCATION POOLS

The sustainable yield of the Basin shall be divided among allocation pools as provided in this article.

7.1. Management Area Pools

7.1.1. The East Las Posas Management Area (EMA) Allocation Pool No. 1 shall consist of all operators within the East Las Posas Management Area, except those extracting from the Fairview/Epworth Aquifer and Ventura County Waterworks District Nos. 1 and 19.

7.1.2. The East Las Posas Management Area (EMA) Allocation Pool No. 2 shall consist of Ventura County Waterworks District Nos. 1 and 19, except that Ventura County Waterworks District No. 19 wells located in the West Las Posas Management Area shall not be included in the determination of the Base Period Extraction for this pool.

7.1.3. The Fairview/Epworth Allocation Pool shall consist of all operators extracting groundwater from the Fairview/Epworth Gravels Aquifer Management Area.

7.1.4. The West Las Posas Management Area (WMA) Allocation Pool No. 1 shall consist of all operators extracting groundwater from the West Las Posas Management Area except Ventura County Waterworks District No. 19.

7.1.5. The West Las Posas Management Area (WMA) Allocation Pool No. 2 shall consist of Ventura County Waterworks District No. 19 except that its wells located in the East Las Posas Management Areas shall not be included in the determination of the Base Period Extraction for this pool.

7.2. Reserve Allocation Pools

7.2.1. The EMA Reserve Allocation Pool shall consist of all undeveloped lands within the East Las Posas

Management Area, except for lands overlying the Fairview/Epworth Aquifer.

7.2.2. The WMA Reserve Allocation Pool shall consist of all undeveloped lands within the West Las Posas Management Area.

7.3. Yield Shares

7.3.1. The EMA Allocation Pool No. 1 Yield Share shall be equal to the EMA Allocation Pool No. 1 fraction of the total Base Period Extraction from the East Las Posas Management Area, less 670 acre-feet per year to be set aside for the EMA Reserve Allocation Pool.

7.3.2. The EMA Allocation Pool No. 2 Yield Share shall be equal to the EMA Allocation Pool No. 2 fraction of the total Base Period Extraction from the East Las Posas Management Area.

7.3.3. The EMA Reserve Allocation Pool Yield Share shall be 670 acre-feet per year.

7.3.4. The Fairview/Epworth Pool Yield Share shall be equal to the Fairview/Epworth Allocation Pool fraction of the total Base Period Extraction from the East Las Posas Management Area.

7.3.5. The WMA Allocation Pool No. 1 Yield Share shall be equal to the WMA Allocation Pool No. 2 fraction of the total Base Period Extraction from the West Las Posas Management Area, less 320 acre-feet per year to be set aside for the WMA Reserve Allocation Pool.

7.3.6. The WMA Allocation Pool No. 2 Yield Share shall be equal to the WMA Allocation Pool No. 2 fraction of the total Base Period Extraction from West Las Posas Management Area.

7.3.7. The WMA Reserve Allocation Pool Yield Share shall be 320 acre-feet per year.

ARTICLE 8. MINIMUM ALLOCATIONS

A minimum allocation shall be established for the following classes of operators as provided in this article.

8.1. Agricultural Operators

8.1.1. The minimum allocation for each agricultural operator within EMA Allocation Pool No. 1 shall be the cumulative share of the EMA Allocation Pool No. 1 Yield Share which consists of agricultural extractions divided by the total irrigated acreage within the East Las Posas Management Area, excluding lands overlying the Fairview/Epworth Gravels Aquifer.

8.1.2. The minimum allocation for each agricultural operator within WMA Allocation Pool No. 1 shall be

the cumulative share of the WMA Allocation Pool No. 1 Yield Share which consists of agricultural extractions divided by the total irrigated acreage within the West Las Posas Management Area.

8.2. Domestic Operators – The minimum allocation for each domestic operator within the Basin shall be 2 acre-feet per year per parcel.

8.3. Other Operators – The minimum allocation for other than an agricultural or domestic operator shall be the Temporary Extraction Allocation established for that operator under Emergency Ordinance E, including all scheduled reductions and any variance granted by the Executive Officer.

8.4. A minimum allocation may not be transferred for use on any other property.

8.5. An operator using a minimum allocation may not exercise the carryover rights set forth in article 9.

ARTICLE 9. ALLOCATION CARRYOVER

Except for those operators reporting extractions under a minimum allocation, an operator not using all of an extraction allocation during a Water Year may carry over any unused allocation for up to five (5) years. The Executive Officer may limit the exercise of carry over rights consistent with the provisions of the Groundwater Sustainability Plan, provided that any such limitation shall be imposed on all operators exercising carry over rights under this section on an equal basis. Not less than 30 days prior to the beginning of each Water Year, the Executive Officer shall notify all parties with unused allocation of any limitation on carryover rights.

ARTICLE 10. ALLOCATION TRANSFERS

101. Allocation transfers may be necessary to provide flexibility while maintaining the sustainability goal of the Basin. Transfers of allocations are authorized provided the Executive Officer finds that they are consistent with the provisions of the Groundwater Sustainability Plan. In making this determination, the Executive Officer shall, at a minimum, consider the location of the extraction facilities, the total quantity of groundwater extracted in any Water Year and groundwater quality impacts of the transfer. Transfers associated with an Agency-approved water market program shall comply with all applicable requirements of that program.

102. Requests for the transfer of allocations shall be submitted jointly by the operators involved and shall include the specific details of their proposal. To ensure consistency with the provisions of the Groundwater Sustainability Plan, transfers of allocation shall be subject to conditions as determined by the Executive Officer.

103. Groundwater extracted from the Basin may not be transferred for use outside of the Basin or from one management area within the Basin to another. Operators with extraction facilities in more than one management area may transfer allocation between commonly operated extraction facilities, provided that any extractions in excess of the operator's allocation during the Water Year in which the transfer occurs shall be made up in the following Water Year.

ARTICLE 11. REDUCTION OF ALLOCATIONS

11.1. Allocations within EMA Allocation Pool No. 1 and No. 2 and WMA Allocation Pool No. 1 and No. 2, adjusted or otherwise, shall be reduced as needed in order to bring the Basin to sustainable yield. Reductions will be accomplished by reducing the yield shares within the allocation pools. If the total initial allocations established under article for a management area exceed sustainable yield, the yield share for each allocation pool within the management area shall be reduced in order to eliminate the exceedance. Reductions shall occur according to the following schedule:

11.1.1. East Las Posas Management Area -- Beginning with the 2019/2020 Water Year, and for each subsequent Water Year, the EMA Allocation Pool No. 1 Yield Share and EMA Allocation Pool No. 2 Yield Share shall be reduced by the lesser of: (a) 1%, or (b) 1/20th of the amount required to bring total initial allocations into balance with sustainable yield for the East Las Posas Management Area.

11.1.2. West Las Posas Management Area -- Beginning with the 2019/2020 Water Year, and for each subsequent Water Year, the WMA Allocation Pool No. 1 Yield Share and WMA Allocation Pool No. 2 Yield Share shall be reduced by the lesser of: (a) 1%, or (b) 1/20th of the amount required to bring total initial allocations into balance with sustainable yield for the West Las Posas Management Area.

11.2. Allocations within each allocation pool shall be reduced proportionately among all operators in an amount equivalent to the reduced yield share for the allocation pool. The EMA Allocation Pool No. 1 Yield Share and WMA Allocation Pool No. 1 Yield Share shall be further reduced in an amount sufficient to set aside sufficient allocation for the Reserve Allocation Pool.

11.3. Allocations within the Fairview/Epworth Allocation Pool are exempt from the scheduled reductions. Minimum allocations within EMA Pool No. 1 and WMA Pool No. 1 are exempt from reduction until all other allocations within the allocation pool are reduced below a minimum allocation at which time all allocations, regardless of type, shall be reduced.

11.4. Prior to the start of each Water Year, the Executive Officer shall determine the amount of the reduction required under section 11.1. The Board may postpone or otherwise modify the scheduled reductions upon a finding that such action will not substantially impede progress toward meeting measurable objectives in and consistent with the Groundwater Sustainability Plan.

ARTICLE 12. RESERVE ALLOCATIONS

12.1. A reserve allocation may be established by the Executive Officer for lands which are developed within the Basin after the effective date of this ordinance. Allocations established under this article shall be limited to availability of water from the Reserve Pool for the management area in which the undeveloped land is located. If no allocation remains within a reserve pool yield share, the Agency may, in its sole discretion, adjust the EMA Pool No. 1 Yield Share or the WMA Pool No. 1 Yield Share, as applicable, to provide additional allocation for development of unirrigated lands within the affected management area. The allocation established under this article shall be set at an amount equal to the

minimum allocation as established in article 8 and shall be subject to reduction in the same manner as a minimum allocation. Reserve allocations shall be established in the following order of priority:

12.1.1. Allocations for a new or increased water use served by a well that did not exist prior to the end of the Base Period. For purposes of this article, a new or increased water use is one that did not exist or occur prior to end of the Base Period.

12.1.2. Allocations for well permits approved after the Base Period for a new or increased water use.

12.1.3. Allocations for well permits approved after the Base Period for a water use that existed during the Base Period.

12.1.4. Allocations for a new or increased water use served by a well with an existing allocation.

122. An application for a reserve allocation shall be submitted by a land owner or authorized representative no less than 90 days prior to the beginning of the Water Year in which it is to be used and shall establish eligibility under one of the priority categories and include a description of any prior extractions, type and amount of proposed water use, crop type and acreage involved and such other information as required by the Executive Officer to carry out the purpose of this ordinance. Agricultural operators applying for a reserve allocation within a management area in which the operator has an existing allocation shall demonstrate that the operator's existing water use is less than the 50th percentile of all agricultural use within the management area based on a comparison of the Irrigation Allowance Index for all such operators as determined under section 5.6.1.2. of the Agency Ordinance Code.

123. A reserve allocation shall expire and be made available for use on other lands unless the operator demonstrates that groundwater extractions have been put to beneficial use on a continuous basis for a period of 10 years.

ARTICLE 13. VARIANCES

13.1. Variance Types - An owner or operator seeking to extract groundwater may seek a variance to an initial allocation or a minimum allocation.

13.2. Variance Purpose and Standards - The sole purpose of any variance shall be to enable an owner or operator to make reasonable use of groundwater in the same manner as other users of groundwater in the vicinity and Basin. Before any variance may be granted, the applicant must establish and the Agency must determine that all of the following standards are met:

13.2.1. That there are special circumstances or exceptional characteristics applicable to the applicant which do not apply generally to comparable owners or operators in the Basin; and

13.2.2. That granting a variance will not confer a special privilege inconsistent with the

limitations upon other owners and operators in the Basin; and

13.2.3. That denial of a variance will result in practical difficulties or unnecessary hardships inconsistent with the general purpose of this ordinance; and

13.2.4. That the granting of a variance will not be inconsistent with the Groundwater Sustainability Plan or the provisions of SGMA or with other regulations or ordinances of the Agency or detrimental to the Agency's ability to improve and protect the quantity or quality of groundwater supplies within the Basin; and

13.2.5. That the granting of a variance will not substantially impede the Agency's ability to achieve sustainable groundwater management or the actual sustainability of the Basin's groundwater.

13.3. Burden of Proof - The applicant shall have the burden of proving to the satisfaction of the appropriate decision-making authority that the above standards can be met.

13.4. The Agency may recognize and consider other mitigating factors demonstrated or proposed by the applicant. The Agency at its discretion may include and impose those or other factors as conditions of granting the variance request.

13.5. The Agency may consider any prior requests, permits, other Agency decisions, or enforcement actions associated with the applicant's past or present extractions.

13.6. The Agency may consider all prior applications made pursuant to this section in the Basin and shall seek to provide consistency in its application of the standards set forth in section 13.2.

13.7. Any new or increased extraction allocation granted by the Agency pursuant to a variance request shall be specific to the applicant and may not be transferred without prior Agency approval.

13.8. Variance Procedures - All requests for a variance shall be filed in writing with the Agency. Variances shall be considered by the Agency once per Water Year.

13.9. Application Period - Variances may be applied for between October 1 through December 31 of each Water Year.

13.10. Review Period - The Agency shall make reasonable efforts to render a decision on all applications by September 30 of the Water Year in which the variance is requested. The Executive Officer's decision shall be in writing and include the findings made relative to the standards set forth

in section 13.2.

13.11. Appeals - The Executive Officer's decision under this article is appealable in accordance with chapter 6.0 of the Agency Ordinance Code.

ARTICLE 14. EFFECTIVE DATE

This ordinance shall become effective on the thirty-first day after adoption.

PROOF OF SERVICE

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is Downey Brand LLP, 621 Capitol Mall, 18th Floor, Sacramento, California, 95814-4731. On October 29, 2018, I served the within document(s):

SECOND AMENDED VERIFIED COMPLAINT FOR COMPREHENSIVE GROUNDWATER ADJUDICATION; DECLARATORY RELIEF; QUIET TITLE; INVERSE CONDEMNATION; AND PETITION FOR WRIT OF MANDATE

- ☐ **BY FAX:** by transmitting via facsimile the document(s) listed above to the fax number(s) set forth below on this date before 5:00 p.m.
- ☐ **BY E-MAIL:** by transmitting via my electronic service address (cirvine@downeybrand.com) the document(s) listed above to the person(s) at the e-mail address(es) set forth below.
- ☐ **BY MAIL:** by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Sacramento, California addressed as set forth below.
- ☒ **BY OVERNIGHT MAIL:** by causing document(s) to be picked up by an overnight delivery service company for delivery to the addressee(s) on the next business day.
- ☐ **BY PERSONAL DELIVERY:** by causing personal delivery by _____ of the document(s) listed above to the person(s) at the address(es) set forth below.

See attached service list

I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on October 29, 2018, at Sacramento, California.



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